

# **NAMA KHOI LOCAL MUNICIPALITY**



## **ANNUAL BUDGET 2012/13 TO 2014/15**

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## Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	ℓ	litre
BPC	Budget Planning Committee	LED	Local Economic Development
CFO	Chief Financial Officer	MEC	Member of the Executive Committee
CPI	Consumer Price Index	MFMA	Municipal Financial Management Act Programme
CRRF	Capital Replacement Reserve Fund	MIG	Municipal Infrastructure Grant
DBSA	Development Bank of South Africa	MM	Municipal Manager
DoRA	Division of Revenue Act	MMC	Member of Mayoral Committee
DWA	Department of Water Affairs	MPRA	Municipal Properties Rates Act
EE	Employment Equity	MSA	Municipal Systems Act
EM	Executive Mayor	MTEF	Medium-term Expenditure Framework
FBS	Free basic services	MTREF	Medium-term Revenue and Expenditure Framework
GAMAP	Generally Accepted Municipal Accounting Practice	NERSA	National Electricity Regulator South Africa
GDP	Gross domestic product	NGO	Non-Governmental organisations
NCPGDS	Northern Cape Provincial Growth and Development Strategy	NKPIs	National Key Performance Indicators
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	RSC	Regional Services Council
IDP	Integrated Development Strategy	SALGA	South African Local Government Association
IT	Information Technology	SAPS	South African Police Service
kℓ	kilolitre	SDBIP	Service Delivery Budget Implementation Plan
km	kilometre	SMME	Small Micro and Medium Enterprises
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt		

## Part 1 – Annual Budget

### 1.1 Mayor's Report

Honorable Speaker , before I proceed I want to welcome and introduce our newly appointed **CFO , Mrs Nozoku Mdaka** to Nama Khoi Municipality. I also have the privilege to thank the Municipal Manager and his executive team who adhered to the relevant Legislaty prescriptives to provide me with a comprehensive and an accountable budget layout.

Honourable Speaker , this budget is a product of present leadership in Council and is aligned to Nama Khoi's Integrated and Development Plan (IDP) with its **vision statement , mission statement , corporate values , key performance areas and its key focus areas**.

The budget reflects the collective determination of the Municipality to address with energy the challenges of creating jobs , reducing poverty , building infrastructure and expanding our economy.

This budget sets out a Financial Framework for implementing the IDP that is sound , viable and sustainable. It recognizes that building our communities , maintaining our areas and improving the quality of life in Nama Khoi is a multy-year project that must invigorate our capacity to grow and it include all our people in that growth.

Honourable Speaker , I take pleasure in presenting this budget speech and the Medium Term Revenue and Expenditure Framework (**MTREF**) for the next three financial years 2012 / 2013 to 2014 / 2015.

During the past few years the world economy has gone through its deepest recession. Nama Khoi Municipality was in no way immune to the harsh economic realities associated with the recession.

Among the impacts are the serious cash flow challenges currently being experienced by the Municipality due to among other things the depletion of cash – backed reserves , historic expenditure patterns and a general lack of doing things smarter.

Budgeting is primarily about the choices that the Municipality has to make between competing priorities , available financial resources and fisical realities.

We as leaders have the responsibility to take decisions and had to take hard decisions on how we will use available scarce resources. We cannot please everyone and everyone will not necessarily agree with these decisions.

In the light of the prevailing economic climate, it was not an easy task to prepare this budget.

Notwithstanding these factors, the budget has been prepared bearing in mind the principle of cost effectiveness, the need to enhance revenue and conversely looking at cost cutting measures.

The needs and aspirations of the poor, unemployment and development of infrastructure needs remained a priority when compiling the budget.

We need to recognize mistakes of the past and use corrective measures to build a sound financial base for the future. **For the past three years Nama Khoi received disclaimers from the Auditor –General.** I am convinced and sure that Nama Khoi is firmly on the way of achieving exactly what we set out to do. We have become more stable in a short period of time and this can only lead to a healthier financial position.

For the first time the budget is compiled in the correct format in accordance with National Treasury's Circular guidelines and the Municipal Budget and Reporting Regulations , taking cognizance of scarce available resources.

Honourable Speaker we have embarked on giving substance to the principles of reforming our budget and to accelerate service delivery by executing our capital projects in order for our communities to see and feel service delivery. We are bound to build pockets of excellence.

Honourable Speaker the IDP informs the budget and the Service Delivery and Budget Implimentation Plan (SDBIP). The SDBIP with performance indicators with smart targets are developed to ensure that progress in achieving the objectives as set out in the IDP are achieved.

Legislation requires from me to approve the high level SDBIP within 28 days after council has approved the budget and I will adhere to this requirement.

The Municipal Manager and his excecutive team will therefore have no choice but to implement the objectives of the IDP and the measurable performance objectives of the 2012/ 2013 budget as depicted in the 2012 /2013 SDBIP.

During our IDP and Budget Community Consultation Programme we have gathered information from our communities with a view of understanding there needs and desires in their respective wards which was realy considered during the compilation of the final budget and IDP.

We have managed to prioritise their immediate needs and to address them in relation to the available funding although we cannot address all of them in one financial year.

Our focus areas will amongst other's be the development and maintenance of roads and stormwater infrastructure , providing potable water, sanitation management , solid waste management , upgrading of electricity networks , sport and recreation , parks , land and

housing for the poor , recycling of greywater ,youth development , job creation , poverty alleviation and street lightning.

### **Now back to mothers tongue:**

Agbare Speaker dit is 'n wetsvereiste dat 'n Raad 'n begroting vir elke finansiële jaar moet opstel.'n Verdere wetsvereiste is dat 'n Raad nie vir 'n tekort mag begroot nie.

Agbare Speaker , Plaaslike Regering is die Hoogste Gesagsliggaam binne enige gemeenskap.Ongelukkig is daar mense binne en buite wat ons mense se intelligensie onderskat en met opruiende propaganda die Munisipaliteit onregeerbaar wil maak en dit kan nie geduld word nie.Ek is hier om u te lei dat u op die end sal verstaan wat Plaaslike Regering beteken.

Met die **gemeenskapsdeelname** proses het die Raad werklik geluister na die insette van die onderskeie Gemeenskappe en bepaalde verstellings aan die belastings en tariewe gemaak.

Verhogings in tariewe is gebaseer op voorskrifte van die Nasionale Tesourier , Waterraad , SA Bedingsraad vir Plaaslike Owerhede ten opsigte van Salarisse en die Nasionale Energie Reguleerder.

### **Die verhoging in tariewe sien dus soos volg daaruit :**

- Water is verhoog met **16 %** (soos reeds gesê dit word ekstern beheer)
- Elektrisiteit is verhoog met **12,03%** (soos reeds gesê word dit ekstern beheer )
- Vullisverwydering en riool is met **10%** verhoog.
- Die suigtenke was vir alle grootes **R261,00** per trekking en op aandrang van die gemeenskappe is die tarief verander dat 'n **5000 L** tenk nou vanaf R 108,24 verhoog na **R135,30** en 'n **10000 L** tenk vanaf R194,01 verhoog na **R242,50**.
- Alle ander tariewe vanaf 10% verlaag na **9%**.

Hierdie is nie 'n verhaling van die volle koste van die diens nie , maar 'n poging om ons gemeenskappe gelukkig te hou.

- Die heffing op belasting vir besigede was in die Konsep Begroting 13,5% en is nou verlaag na **11,5%**.
- Die heffing op belasting vir woonhuise was in die Konsep Begroting 12% en is nou verlaag na **10%**.
- Op die salaris komponent is daar 'n besparing van R4 m teweeg gebring deur sekere poste te vries.
- Verdere voordeel wat vir die Hulpbehoewendes teweeg gebring is , is dat die subsidie perke verhoog na onderskeidelik O-R1800.00 inkomste en R1801-R2800.00.
- Hulpbehoewendes moet egter herregistreer van nou af tot en met 13 Julie 2012 om te kan kwalifiseer.



Agbare Speaker , na alles bring dit ons by 'n totale Bedryfsbegroting van **R178 687 892.00** teenoor verlede jaar se **R158 779 282,00** met die effek van 'n **12,5%** opwaartse groei.

Die totale Kapitaal Begroting het gegroei vanaf **R29 953 670.00** na **R67 310 000.00** met die effek van **125%** groei.

Honourable Speaker these are not my own words but I quote: "***Courage is what it takes to stand up and speak , but courage is also what it takes to sit down and listen. Criticism may not be agreeable , but it is necessary. It fulfills the same function as pain in the human body. It calls attention to an unhealthy state of things.***"

Agbare Speaker ek het dan die eer en voorreg om aan die RAAD voor te lê :

- \*Die voorgestelde Geïntegreerde Ontwikkelings Plan

- \*Die voorgestelde Kapitale en Bedryfs Begroting

- \*Die voorgestelde Tariewe Lys en Tarief Beleid

- \* Die voorgestelde Invorderings Beleid

- \*Die voorgestelde Hulpbehoewende Beleid

- \*Die Eiendoms Belastings Beleid

- \*Die Konsep Kontant Bestuur & Beleggings Beleid

- \*Die Fondse en Reserwe Beleid

My voorstel is dan dat die Agbare Raad die voorgestelde dokumente aanvaar en goedkeur vir die komende Finansiële jaar 2012/2013.

Ek dank u.

**W.T. CLOETE**

**BURGEMEESTER**

## 1.2 Council Resolutions

On 31 May 2012 the Council of Nama Khoi Local Municipality met in the Council Chambers of Nama Khoi Municipality to consider the annual budget of the municipality for the financial year 2012/13. The Council approved and adopted the following resolutions:

1. The Council of Nama Khoi Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - 1.1. The annual budget of the municipality for the financial year 2012/13 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2 on page 27;
    - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3 on page 29;
    - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 on page 31; and
    - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 on page 33.
  - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table A 6 on page 36;
    - 1.2.2. Budgeted Cash Flows as contained in Table A 7 on page 37;
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8 on page 37;
    - 1.2.4. Asset management as contained in Table A 9 on page 39; and
    - 1.2.5. Basic service delivery measurement as contained in Table A10 on page 42.
2. The Council of Nama Khoi Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012:
  - 2.1. the tariffs for property rates –

- 2.2. the tariffs for electricity –
  - 2.3. the tariffs for the supply of water –
  - 2.4. the tariffs for sanitation services –
  - 2.5. the tariffs for solid waste services –
3. The Council of Nama Khoi Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012 the tariffs for other services.
4. To give proper effect to the municipality's annual budget, the Council of Nama Khoi Local Municipality approves:
- 4.1. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2012/13 financial year limited to an amount of R 27 million per financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
  - 4.2. That the Municipal Manager be authorized to sign all necessary agreements and documents to give effect to the above lending programme.

### **1.3 Executive Summary**

The Nama Khoi Municipality has taken upon its responsibility that the application of sound financial management principles for the compilation of the Municipality's budget for 2012/13 is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

In responding to the needs of the people Nama Khoi Municipality needed to review its strategic objective and it was also necessary to review the Municipality's service delivery priorities as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. A decision was also taken only to fill critical vacant position on the organogram. Key areas where savings were realized were on telephone and internet usage, printing, workshops, accommodation, and catering.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 58 and the Circular on Key issues in MFMA Budget were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarized as follows:

- É The ongoing difficulties in the national and local economy;
- É Aging and poorly maintained water, roads and electricity Municipality infrastructure;
- É The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- É The increased cost of bulk water and electricity (due to tariff increases from Sedibeng Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- É Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- É Affordability of capital projects

The following budget principles and guidelines directly informed the compilation of the 2012/13 MTREF:

- É The 2012/12 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2012/13 annual budget;
- É Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- É Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- É There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/13 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2012/13 MTREF**

R thousands	Adjustment Budget 11/12	Budget Year 2012/13	Budget Year 2013/14	Budget Year +1 2014/15
Total Revenue	144 972 357	198 184 224	190 118 051	202 320 721
Total Expenditure	158 779 283	179 347 892	189 118 461	200 848 335
Surplus/(Deficit)	-13 806 926	18 836 333	999 590	1 472 386
Capital expenditure	29 954 000	67 310 000	14 225 000	27 901 000

Total operating revenue has grown by 36.7 per cent or R53.2 million for the 2012/13 financial year when compared to the 2011/12 Adjustments Budget. For the two outer years, operational revenue will decrease by 4.2 % and then increase with 6.4% per cent respectively, equating to a total revenue growth of R 57.3 million over the MTREF when compared to the 2012/12 financial year.

Total operating expenditure for the 2012/13 financial year has been appropriated at R179, 384,224 and translates into a budgeted surplus of R18.8 million. When compared to the

2012/12 Adjustment Budget, operational expenditure has grown by 12.9 per cent in the 2012/13 budget and by 5.45 and 6.20 per cent for each of the respective outer years of the MTREF. The operating surplus for the two outer years steadily increases to R999 thousand and then stabilize at R1.47million. These surpluses will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R67, 310,000 for 2012/13 is 124.71 per cent more when compared to the 2012/12 Adjustment Budget. The increase is due to various capital assets that are going to be financed by internal funds. The capital programme increases to R 67,310,000 in the 2012/13 financial year and then decreased in 2013/14 to R 14 225 000. A substantial portion of the capital budget will be funded from borrowing with anticipated borrowings of R27 million in the 2012/13 financial year. Borrowing will contribute 40 per cent of capital expenditure, when government grants and transfers are excluded. The balance will be funded from internally generated funds.

## 1.4 Operating Revenue Framework

For Nama Khoi to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with huge number of unemployment due to the closure of mines in the past years which lead to poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- É National Treasury's guidelines and macroeconomic policy;
- É Growth in the Municipality and continued economic development;
- É Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- É Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- É Achievement of full cost recovery of specific user charges especially in relation to trading services;
- É Increase ability to extend new services and recover costs;
- É The municipality's Indigent Policy and rendering of free basic services; and
- É Tariff policies of the Municipality.

**The following table is a summary of the 2012/13 MTREF (classified by main revenue source):**

**Table 2 Summary of revenue classified by main revenue source**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1										
Revenue By Source											
Property rates	2	19 731	20 096	22 061	21 858	20 693	20 693	–	29 919	31 715	36 472
Property rates - penalties & collection charges			362	456	468	–	–		1 211		
Service charges - electricity revenue	2	26 288	30 000	35 192	46 700	46 529	46 529	–	51 867	54 979	58 553
Service charges - water revenue	2	10 386	13 588	15 392	20 703	17 193	17 193	–	21 789	23 074	24 574
Service charges - sanitation revenue	2	3 924	4 832	5 449	5 228	6 848	6 848	–	6 053	6 410	6 795
Service charges - refuse revenue	2	212	3 892	4 528	995	6 393	6 393	–	7 959	8 429	8 935
Service charges - other						–	–				
Rental of facilities and equipment		998	1 221	1 041	1 143	867	867		1 258	1 384	1 536
Interest earned - external investments		1 306	554	723	490	684	684		485	534	592
Interest earned - outstanding debtors		913	779	1 003	939	600	600		1 224	1 347	1 495
Dividends received						–	–			–	–
Fines		443	177	178	244	7	7		424	466	518
Licences and permits		879	902	1 011	1 215	358	358		1 254	1 379	1 531
Agency services		1 080	939	942	1 011	1 114	1 114		1 206	1 326	1 472
Transfers recognised - operational		18 104	65 706	27 291	32 358	33 531	33 531		37 621	41 383	45 935
Other revenue	2	5 927	10 634	3 512	3 696	10 156	10 156	–	35 914	17 692	13 913
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		90 191	153 683	118 779	137 048	144 972	144 972	–	198 184	190 118	202 321

**Table 3 Percentage growth in revenue by main revenue source**

Description	Current Year 2010/11		2012/13 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2012/13	%	Budget Year +1 2013/14	%	Budget Year +2 2014/15	%
<b>Revenue By Source</b>								
Property rates	20 693	14%	29 919	15%	31 715	17%	36 472	18%
Property rates - penalties & collection charges	-	0%	1 211	1%		0%		0%
Service charges - electricity revenue	46 529	32%	51 867	26%	54 979	29%	58 553	29%
Service charges - water revenue	17 193	12%	21 789	11%	23 074	12%	24 574	12%
Service charges - sanitation revenue	6 848	5%	6 053	3%	6 410	3%	6 795	3%
Service charges - refuse revenue	6 393	4%	7 959	4%	8 429	4%	8 935	4%
Service charges - other	-	0%		0%		0%		0%
Rental of facilities and equipment	867	1%	1 258	1%	1 384	1%	1 536	1%
Interest earned - external investments	684	0%	485	0%	534	0%	592	0%
Interest earned - outstanding debtors	600	0%	1 224	1%	1 347	1%	1 495	1%
Dividends received	-	0%		0%	-	0%	-	0%
Fines	7	0%	424	0%	466	0%	518	0%
Licences and permits	358	0%	1 254	1%	1 379	1%	1 531	1%
Agency services	1 114	1%	1 206	1%	1 326	1%	1 472	1%
Transfers recognised - operational	33 531	23%	37 621	19%	41 383	22%	45 935	23%
Other revenue	10 156	7%	35 914	18%	17 692	9%	13 913	7%
Gains on disposal of PPE								
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>144 972</b>	<b>100%</b>	<b>198 184</b>	<b>100%</b>	<b>190 118</b>	<b>100%</b>	<b>202 321</b>	<b>100%</b>
<b>Total revenue from rates &amp; service charge</b>	<b>97 656</b>	<b>67%</b>	<b>118 798</b>	<b>60%</b>	<b>124 607</b>	<b>66%</b>	<b>135 328</b>	<b>67%</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2011/12 financial year, revenue from rates and services charges totaled R 97 million or 67 per cent. This increases to R 118 million,

R124 million and R 135 million in the respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which increases from 66 per cent in 2013/14 to 67 per cent in 2014/15. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 64 MBRR SA1 (see page 99).

Operational Grants is the second largest revenue source totaling 19 per cent or R37.6 million rand and increases to R41.3 million by 2013/14. The third largest sources is 'other revenue' which consists of various items such as income received from sale of land/buildings, permits and licenses, building plan fees, connection fees and rentals. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R33.5 million in the 2011/12 financial year and steadily increases to R37.6 million by 2012/13. Note that the year-on-year growth for the 2012/13 financial year is 36.7 per cent and then flattens out to -4 and then to 6.4 per cent in the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table 4 Operating Transfers and Grant Receipts**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		14 822	24 036	29 172	31 586	-	-	34 768	37 849	40 795
Local Government Equitable Share		13 438	21 765	27 222	28 625			32 468	35 199	38 095
Finance Management Grant		500	750	1 200	1 450			1 500	1 750	1 750
Municipal Systems Improvement Grant		735	850	750	790			800	900	950
DWAF:WSACDBP		149	671							
Integrated National Electricity Program					721					
Other transfers/grants [insert description]										
Regional Bulk Infr Grant										
<b>Provincial Government:</b>		25 589	8 535	-	772	-	-	1 176	-	-
Library		701	579		772			1 176		
Taxi Rank			826							
Sport Development		309								
Housing		24 580	7 129							
Other transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	900	-	-	-	-	-	-	-
DBSA			900							
<b>Total Operating Transfers and Grants</b>	5	40 411	33 471	29 172	32 358	-	-	35 944	37 849	40 795

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Sedibeng Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality and in these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

#### **1.4.1 Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The following stipulations in the Property Rates Policy are highlighted:

- É The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- É 33 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- É For pensioners, physically and mentally disabled persons, a maximum/total rebate of 33 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to R 36000. In this regard the following stipulations are relevant:
  - The rate-able property concerned must be occupied only by the applicant and his/her spouse.
  - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
  - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
  - The property must be categorized as residential.
- É The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur



sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2012/13 financial year based on a 10 per cent increase from 1 July 2012 is contained below:

**Table 5 Comparison of proposed rates to levied for the 2012/13 financial year**

Category	Current Tariff (1 July 2011)	Proposed tariff (from 1 July 2012)
	<b>C</b>	<b>C</b>
Residential properties	0.01362	0.01498
State owned properties	0.01362 min 20 % rebates	0.01498
Business & Commercial	0.01362	0.01578
Agricultural	0.03405	0.003592

#### 1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- É Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- É Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- É Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Sedibeng Water has increased its bulk tariffs with 14.5 per cent from 1 July 2012.

A tariff increase of 16 per cent from 1 July 2012 for water is proposed. This is based on input cost assumptions of 8.5 per cent increase in the cost of bulk water (Sedibeng Water), the cost of other inputs increasing by 6 per cent to make up for the 43 per cent increase not implemented in the 2010/11 financial year as it will be phased in over a period of five years. In addition 6 kℓ water per 30-day period will again be granted free of charge only to registered indigents.

**A summary of the proposed tariffs for households (residential) and non-residential are as follows:**

**Table 6 Proposed Water Tariffs**

CATEGORY	CURRENT TARIFFS 2011/12	PROPOSED TARIFFS 2012/13
	Rand per kℓ	Rand per kℓ
<b>RESIDENTIAL</b>		
(i) 0 -20 kℓ per 30-day period	R 11.49	R 13.33
(ii) 21 + kℓ per 30-day period	R 14.38	R 16,68

CATEGORY	CURRENT TARIFFS 2011/12	PROPOSED TARIFFS 2012/13
	Rand per kℓ	Rand per kℓ
<b>BUSINESS</b>		
(i) 0 – 10 kℓ per 30-day period	R 14.38	R 16.68

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

**Table 7.1 Comparison between current water charges and increases (Domestic)**

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
<b>20</b>	229.80	266.60	36.80	16%
<b>30</b>	373.60	433.40	59.80	16%

**Table 8.2 Comparison between current water charges and increases (Commercial)**

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
<b>20</b>	287.60	333.60	46.00	16%
<b>30</b>	431.40	500.40	69.00	16%

The tariff structure for 2012/2013 has not been changed. The Council will have to look at the structure when compiling the 2013/14 budget in order to be cost reflective and to allow small water usage to benefit more than the higher water usage household.

### 1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 13.5 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2012.

Considering the Eskom increases, the consumer tariff had to be increased by 11.03 per cent to offset the additional bulk purchase cost from 1 July 2012. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

The letter dated 07/12/2011 from NERSA has approved the inclusion of NRS 048 part 6 and NRS 048 part 8 in the municipality's license condition. In order for the municipality to comply with the above mentioned standards it was agreed by the Budget Committee for the additional 1 per cent to be imposed for the 2012/13 financial year.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the water charges for domestic customers:

**Table 9.1 Comparison between current electricity charges and increases (Prepaid)**

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Decrease) R	Percentage change
100	115.00	113.00	2.00	0.02%
250	287.50	282.50	5.00	0.02%

**Table 10.2 Comparison between current electricity charges and increases (Conventional)**

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Decrease) R	Percentage change
100	97.00	113.00	16.00	16%
250	242.50	282.50	43.00	18%

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2012. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidize the lower consumption users (mostly the poor).

The municipality has opted to keep the status quo of their electricity tariff until the full costing is done to ensure that the municipality does not lose its limited revenue generated from electricity. The council will have to look at these tariffs when preparing the 2012/13 budget.

#### 1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 10 per cent for sanitation from 1 July 2012 is proposed. This is based on the input cost assumptions related to water.

The following table compares the current and proposed tariffs:

**Table 11 Comparison between current sanitation charges and increases**

Monthly sanitation kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
Dry sanitation	18.25	20.08	1.83	10%
Conservancy tanks – 5000 ℓ	108.24	135.31	27.07	25%
Conservancy tanks – 10 000 ℓ	194.01	242.51	48.50	25%
Sewer	50.80	55.88	5.08	10%

The actual cost calculated to deliver the service was R 261.30 versus the current tariff R108.24. The council then resolved to only impose a 25 per cent increase on the tariff and to phase in the actual tariff over a period.

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

**Table 12 Comparison between current sanitation charges and increases, single dwelling-houses**

Monthly sanitation consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (11% increase) R
5	15,19	16,86	1,67
10	33,35	37,02	3,67
20	71,80	79,79	7,90
30	101,72	112,91	11,19
40	107,14	118,93	11,79
50	108,66	120,61	11,95
80	110,28	122,42	12,14
100	111,37	123,62	12,25

#### 1.4.5 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

A 10 per cent increase in the waste removal tariff is proposed from 1 July 2012. The council implemented different tariff structures for businesses as waste removal will now take place twice a week for medium and large businesses.

The following table compares current and proposed amounts payable from 1 July 2012:

**Table 13 Comparison between current waste removal fees and increases**

Monthly Waste Removal kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
Households	45.32	49.39	4.07	9.00%
Business – Small	0	293.00	293.00	100.00%
Business - Medium	204.31	590.00	385.69	189.00%
Business - Large	240.38	950.00	745.62	310.00%

### 1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 12 and 13 per cent, with the increase for indigent households closer to 12 per cent.

**Table 14 MBRR Table SA14 – Household bills**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13 % incr.	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>	1										
<b>Rates and services charges:</b>											
Property rates		1 045.98	1 666.30	1 809.14	384.20	384.20	384.20		855.10	906.41	1 042.37
Electricity: Basic levy		87.43	100.55	109.60	111.88	111.88	111.88		124.22	131.67	140.23
Electricity: Consumption		1 511.61	1 659.70	2 041.43	840.00	840.00	840.00		890.00	943.40	1 004.72
Water: Basic levy		–	–	–	–	–	–		10.00	10.59	11.28
Water: Consumption		2 776.32	262.63	302.02	327.70	327.70	327.70		380.10	402.53	428.69
Sanitation		40.34	43.16	47.04	44.56	44.56	44.56		65.00	68.84	72.97
Refuse removal		35.97	38.49	41.95	39.75	39.75	39.75		44.17	46.78	49.58
Other		–	–	–	–	–	–		–	–	–
<b>sub-total</b>		<b>5 497.65</b>	<b>3 770.83</b>	<b>4 351.20</b>	<b>1 748.09</b>	<b>1 748.09</b>	<b>1 748.09</b>	<b>35.5%</b>	<b>2 368.59</b>	<b>2 510.21</b>	<b>2 749.84</b>
VAT on Services		–	–	–	244.73	–	–		–	–	–
<b>Total large household bill:</b>		<b>5 497.65</b>	<b>3 770.83</b>	<b>4 351.20</b>	<b>1 992.82</b>	<b>1 748.09</b>	<b>1 748.09</b>	<b>18.9%</b>	<b>2 368.59</b>	<b>2 510.21</b>	<b>2 749.84</b>
<b>% increase/decrease</b>			<b>(31.4%)</b>	<b>15.4%</b>	<b>(54.2%)</b>	<b>(12.3%)</b>	<b>–</b>		<b>35.5%</b>	<b>6.0%</b>	<b>9.5%</b>
<b>Monthly Account for Household - 'Affordable Range'</b>	2										
<b>Rates and services charges:</b>											
Property rates		426.48	641.33	702.90	210.60	210.60	210.60		605.44	641.77	738.03
Electricity: Basic levy		87.43	100.55	109.60	–	–	–		–	–	–
Electricity: Consumption		674.40	538.41	662.24	493.02	493.02	493.02		550.00	583.00	620.90
Water: Basic levy		–	–	–	–	–	–		10.00	10.59	11.28
Water: Consumption		441.42	466.12	536.04	264.45	264.45	264.45		306.95	325.06	346.19
Sanitation		40.34	43.16	47.04	44.56	44.56	44.56		65.00	68.84	72.97
Refuse removal		35.97	38.49	41.95	39.75	39.75	39.75		44.17	46.78	49.58
Other		–	–	–	–	–	–		–	–	–
<b>sub-total</b>		<b>1 706.04</b>	<b>1 828.06</b>	<b>2 099.78</b>	<b>1 052.38</b>	<b>1 052.38</b>	<b>1 052.38</b>	<b>50.3%</b>	<b>1 581.56</b>	<b>1 676.03</b>	<b>1 838.94</b>
VAT on Services		–	–	–	147.33	–	–		–	–	–
<b>Total small household bill:</b>		<b>1 706.04</b>	<b>1 828.06</b>	<b>2 099.78</b>	<b>1 199.71</b>	<b>1 052.38</b>	<b>1 052.38</b>	<b>31.8%</b>	<b>1 581.56</b>	<b>1 676.03</b>	<b>1 838.94</b>
<b>% increase/decrease</b>			<b>7.2%</b>	<b>14.9%</b>	<b>(42.9%)</b>	<b>(12.3%)</b>	<b>–</b>		<b>50.3%</b>	<b>6.0%</b>	<b>9.7%</b>
<b>Monthly Account for Household - 'Indigent'</b>	3										
<b>Household receiving free basic services</b>											
<b>Rates and services charges:</b>											
Property rates		213.85	489.55	536.63	25.62	25.62	25.62	#NAME?	355.77	377.12	433.68
Electricity: Basic levy		87.43	100.55	109.60	–	–	–	#NAME?	–	–	–
Electricity: Consumption		295.25	264.34	325.14	57.60	57.60	57.60	#NAME?	46.50	49.29	52.49
Water: Basic levy		17.28	–	–	–	–	–	#NAME?	–	–	–
Water: Consumption		52.36	93.96	108.05	50.40	50.40	50.40	#NAME?	163.66	173.32	184.58
Sanitation		35.97	22.34	24.35	24.69	24.69	24.69	#NAME?	30.40	32.19	34.13
Refuse removal		–	–	–	–	–	–	#NAME?	–	–	–
Other		–	–	–	–	–	–	#NAME?	–	–	–
<b>sub-total</b>		<b>702.14</b>	<b>1 009.23</b>	<b>1 145.72</b>	<b>198.06</b>	<b>198.06</b>	<b>198.06</b>	<b>223.4%</b>	<b>640.50</b>	<b>678.69</b>	<b>754.47</b>
VAT on Services		–	–	–	27.72	–	–		–	–	–
<b>Total small household bill:</b>		<b>702.14</b>	<b>1 009.23</b>	<b>1 145.72</b>	<b>225.78</b>	<b>198.06</b>	<b>198.06</b>	<b>183.7%</b>	<b>640.50</b>	<b>678.69</b>	<b>754.47</b>
<b>% increase/decrease</b>			<b>43.7%</b>	<b>13.5%</b>	<b>(80.3%)</b>	<b>(12.3%)</b>	<b>–</b>		<b>223.4%</b>	<b>6.0%</b>	<b>11.2%</b>

## 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2012/13 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services.

The following table is a high level summary of the 2012/13 budget and MTREF (classified per main type of operating expenditure):

**Table 15 Summary of operating expenditure by standard classification item**

<b>Expenditure - Standard</b>	<b>-</b>									
<b>Governance and administration</b>		<b>16,677</b>	<b>33,417</b>	<b>28,857</b>	<b>36,977</b>	<b>40,408</b>	<b>40,408</b>	<b>55,587</b>	<b>58,367</b>	<b>61,869</b>
Executive and council		4,858	12,299	10,894	12,974	14,769	14,769	15,504	16,279	17,255
Budget and treasury office		6,530	13,165	8,017	16,135	15,942	15,942	29,746	31,233	33,107
Corporate services		5,289	7,953	9,946	7,868	9,697	9,697	10,338	10,855	11,506
<b>Community and public safety</b>		<b>30,251</b>	<b>20,586</b>	<b>8,380</b>	<b>10,528</b>	<b>10,305</b>	<b>10,305</b>	<b>9,963</b>	<b>10,461</b>	<b>11,088</b>
Community and social services		5,716	4,785	3,276	6,145	5,400	5,400	3,455	3,628	3,845
Sport and recreation		1,545	1,848	1,152	593	514	514	1,178	1,237	1,311
Public safety		2,687	3,248	3,765	3,790	4,365	4,365	5,330	5,596	5,932
Housing		20,303	10,704	-	-	-	-	-	-	-
Health		-	-	187	-	26	26	-	-	-
<b>Economic and environmental services</b>		<b>11,485</b>	<b>10,416</b>	<b>6,421</b>	<b>8,809</b>	<b>11,652</b>	<b>11,652</b>	<b>15,376</b>	<b>16,144</b>	<b>17,113</b>
Planning and development		608	692	-	-	-	-	-	-	-
Road transport		10,678	9,460	6,421	8,572	11,652	11,652	15,376	16,144	17,113
Environmental protection		199	264	-	237	-	-	-	-	-
<b>Trading services</b>		<b>56,134</b>	<b>68,361</b>	<b>72,195</b>	<b>93,674</b>	<b>95,840</b>	<b>95,840</b>	<b>98,216</b>	<b>103,930</b>	<b>110,548</b>
Electricity		29,778	33,321	38,874	50,107	51,980	51,980	54,851	58,142	61,921
Water		13,576	20,784	19,855	23,914	24,348	24,348	25,466	26,994	28,749
Waste water management		7,664	8,538	6,356	10,536	9,427	9,427	9,441	9,913	10,464
Waste management		5,116	5,719	7,111	9,116	10,086	10,086	8,458	8,881	9,414
<b>Other</b>	<b>4</b>	<b>1,703</b>	<b>838</b>	<b>195</b>	<b>546</b>	<b>574</b>	<b>574</b>	<b>206</b>	<b>217</b>	<b>230</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>116,250</b>	<b>133,618</b>	<b>116,049</b>	<b>150,535</b>	<b>158,779</b>	<b>158,779</b>	<b>179,348</b>	<b>189,118</b>	<b>200,848</b>

The budgeted allocation for employee related costs for the 2012/2013 financial year totals R 56 million, which equals 32 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 8 per cent for the 2012/13 financial year. An annual increase of 7 per cent and 8.5 per cent has been included in the two outer years of the MTREF. As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards. The municipality is face with the challenge of minimizing the monetary value attach to overtime payment by requesting employees who worked overtime to take leave.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 95 per cent and the Debt Write-off Policy of the Municipality. For the 2012/13 financial year this amount equates to R1.381million and escalates to R2.245 million by 2013/12. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R7 million for the 2012/13 financial and equates to 4 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1 per cent (R1.5 million) of operating expenditure excluding annual redemption for 2012/13 and increases to R1.58 million by 2013/14. As previously noted, the Municipality has reached its prudential limits for borrowing – hence the planned borrowing to finance the capital budget does not result in finance charges as a percentage of operational expenditure increasing – rather it is kept close to 4 per cent over the MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Sedibeng Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other material comprises of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the Municipality's infrastructure. For 2012/13 the appropriation against this group of expenditure has grown by 8% per cent (R13 million) and continues to grow at 8 per cent for the two outer years of which budget allocation is in excess of R15.4 million by 2014/15.

Contracted services have been identified as a cost saving area for the Municipality. As part of the compilation of the 2012/13 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2012/13 financial year, this group of expenditure

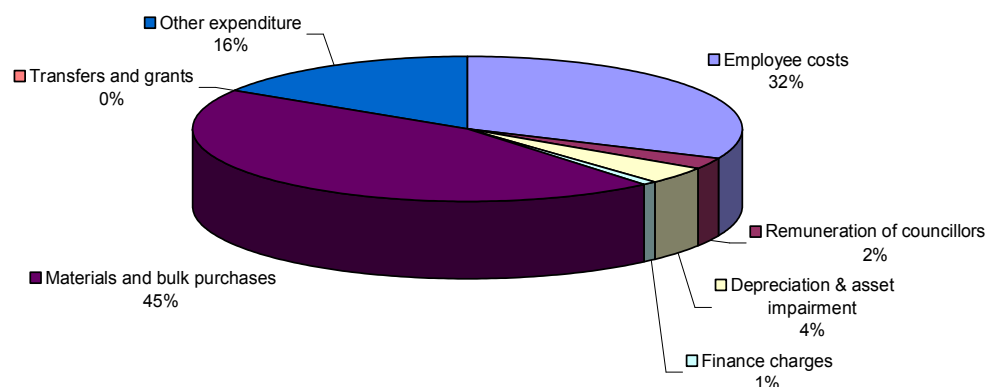
totals R1 billion and has escalated by just 2.6 per cent, clearly demonstrating the application of cost efficiencies. For the two outer years growth has been limited to 5.3 and 5.6 per cent. As part of the process of identifying further cost efficiencies, a business process reengineering project will commence in the 2012/13 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 5 per cent for 2012/13 and curbed at -0.17 and -0.07 per cent for the two outer years, indicating that significant cost savings have been already realized. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

**The following table gives a breakdown of the main expenditure categories for the 2012/13 financial year.**

Total Operating Expenditure	Budget Year 2012/13
Employee costs	56,939,929.12
Remuneration of councilors	4,287,816.00
Depreciation & asset impairment	7,103,265.00
Finance charges	1,504,112.00
Materials and bulk purchases	80,394,733.00
Transfers and grants	-
Other expenditure	29,118,036.00





**Figure 1 Main operational expenditure categories for the 2012/13 financial year**

### 1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2012/13 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

**Table 16 Operational repairs and maintenance**

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 medium term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Repair & Maintenance by Expenditure Item										
Employee Related Cost										
Other materials	10 669	7 037	-	9 048	-	-		11 280	11 957	12 734
Contracted Service										
<b>Total Repair &amp; Maintenance Expenditure</b>	<b>10 669</b>	<b>7 037</b>	<b>-</b>	<b>9 048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 280</b>	<b>11 957</b>	<b>12 734</b>

During the compilation of the 2012/13 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. The total allocation for 2012/13 equates to R11.28 million a growth of 24.66 per cent in relation to the Original Budget and continues to grow at 6 and 6.4 per cent over the MTREF.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

**Table 17 Repairs and maintenance per asset class**

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Depreciation &amp; asset impairment</b>	11 206	12 708	1 261	8 853	–	–	7 103	7 529	8 019
<b>Repairs and Maintenance by Asset Class</b>	<b>10 669</b>	<b>7 037</b>	<b>–</b>	<b>9 048</b>	<b>–</b>	<b>–</b>	<b>11 280</b>	<b>11 957</b>	<b>12 734</b>
Infrastructure - Road transport	1 502	674	–	500	–	–	2 000	2 120	2 258
Infrastructure - Electricity	2 008	1 003	–	803	–	–	–	–	–
Infrastructure - Water	1 328	747	–	1 408	–	–	2 850	3 021	3 217
Infrastructure - Sanitation	948	966	–	739	–	–	2 000	2 120	2 258
Infrastructure - Other	–	–	–	–	–	–	4 430	4 696	5 001
Infrastructure	5 786	3 390	–	3 450	–	–	11 280	11 280	11 280
Community	42	1	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	4 842	3 645	–	5 598	–	–	–	–	–
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>21 876</b>	<b>19 744</b>	<b>1 261</b>	<b>17 901</b>	<b>–</b>	<b>–</b>	<b>18 383</b>	<b>19 486</b>	<b>20 753</b>

For the 2012/13 financial year, 11.28 million of total repairs and maintenance will be spent on infrastructure assets. Other infrastructure has received a significant proportion of this allocation totaling 39.27 per cent (R 4.4 million), followed by water infrastructure at 25.26 per cent (R 2.8 million), road transport at 17.73 per cent (R 2 million) and sanitation at 17.73 per cent (R 2 million).

### 1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 5 000 or more indigent households during the 2012/13 financial year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 27.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

## 1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

**Table 18 2012/13 Medium-term capital budget per vote**

Description R thousand	Current Year 11/12		2012/13 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2012/13	%	Budget Year +1 2013/14	%	Budget Year +2 2014/15	%
Vote 1 - Municipal Manager	–	0%	6 590	10%	–	0%	–	0%
Vote 3 - Corporate Services	3 000	39%	2 760	4%	265	1%	195	0%
Vote 4 - Community Services: Community Development	–	0%	8 200	12%	2 650	11%	1 050	2%
Vote 6 - Electrical Engineering Services	–	0%	30 240	45%	1 500	6%	8 000	18%
Vote 7 - Infrastructure, Engineering & Technical Services	4 673	61%	19 520	29%	18 810	81%	34 256	79%
<b>Total Capital Budget</b>	<b>7 673</b>	<b>100%</b>	<b>67 310</b>	<b>100%</b>	<b>23 225</b>	<b>100%</b>	<b>43 501</b>	<b>100%</b>

For 2012/13 an amount of R49.8 million has been appropriated for the development of infrastructure which represents 73.9 per cent of the total capital budget. In the outer years this amount totals R20.3 million, 87.4 per cent and R42.2 million, 97.14 per cent respectively for each of the financial years. Electrical Engineering Services receives the highest allocation of R30.2 million in 2012/13 which equates to 45 per cent followed by Infrastructure, Engineering, & Technical Services at 29 per cent, R19.5 million and then Community Services: Community Development at 12 per cent, R8.2 million.

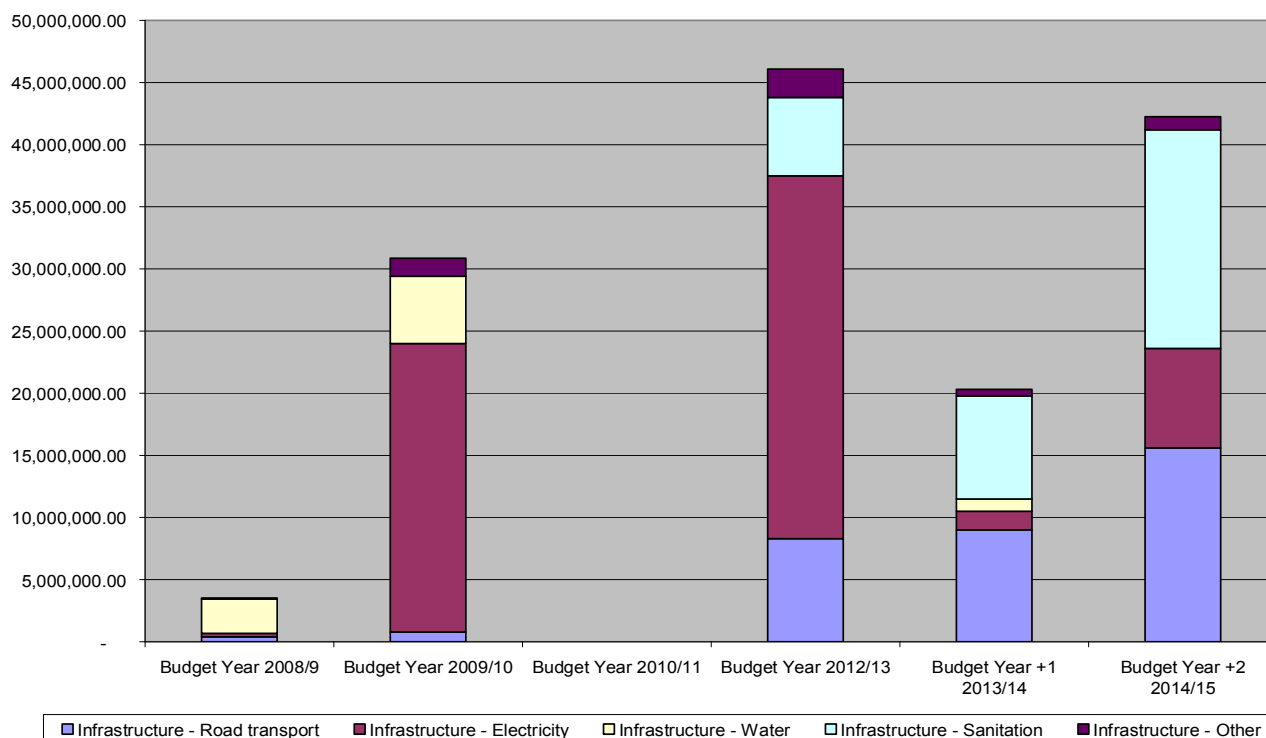
Total new assets represent 53.5 per cent or R1.39 billion of the total capital budget while asset renewal equates to 46.5 per cent or R1.21 billion. Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management) on page 26. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 88, 89 and 90). Some of the salient projects to be undertaken over the medium-term includes, amongst others:

COMBIE	300 000.00		STANDBY GENERATORS	2 300 000.00
DOUBLE CAB	300 000.00		SIT ON ROLLER	1 000 000.00
PMS - PWC SYSTEM	320 000.00		WORKSHOP	500 000.00
OFFICE UPGRADE	1 300 000.00		STORM WATER	7 300 000.00
EQUIPMENT	200 000.00		SPORTS FACILITIES	4 800 000.00
RECORDING SYSTEM	160 000.00		CEMETRIES	1 200 000.00

SPATIAL DEVELOPMENT PLAN	500 000.00		MULTIPURPOSE CENTRE	1 200 000.00
TELEPHONE SYSTEM	300 000.00		FEASIBILITY STUDY	2 300 000.00
CHERRY PICKER	600 000.00		EPWP PROJECTS - JOB CREATION	1 000 000.00
CADS	100 000.00		UPGRADING OF WWTW	4 000 000.00
4X4 LDV BAKKIE	350 000.00		HOUSING	5 670 000.00
CONTROL ROOM	190 000.00		NEW SUB STATION OKIEP	6 500 000.00
NRS -048	1 000 000.00		NEW SUB STATION - NABABEEP	6 000 000.00
10M3 TIPPER	1 000 000.00		CONSOLIDATION OF BULK ELECTRICITY METERING	12 500 00.00
TRENCH EXCAVATOR	120 000.00		CONCORDIA SUBDIVISION	600 000.00
COMPACTOR	1 000 000.00		MATIESKLOOF NETWORK	2 400 000.00
TRACTOR	300 000.00			
				67 310 000.00

Furthermore pages 92 to 96 contain a detail breakdown of the capital budget per project over the medium-term.

The following graph provides a breakdown of the capital budget to be spent on infrastructure related projects over the MTREF.



**Figure 2 Capital Infrastructure Programme**

### 1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 MBRR SA35 on page 80. This table shows that future operational costs associated with the capital programme totals R 49.7 million in 2012/13 and escalates to R160 million by 2013/14. This concomitant operational expenditure is expected to escalate to R195 million by 2016/17. It needs to be noted that as part of the 2012/13 MTREF, this expenditure has been factored into the two outer years of the operational budget.

## 1.7 Annual Budget Tables

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2012/13 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

**NC062 Nama Khoi - Table A1 Budget Summary**

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates										

Nama Khoi Local Municipality

2012/13 Annual Budget and MTREF

	19,731	20,458	22,517	22,326	20,693	20,693	–	31,130	31,715	36,472
Service charges	40,809	52,313	60,561	73,626	76,963	76,963	–	87,668	92,892	98,856
Investment revenue	1,306	554	723	490	684	684	–	485	534	592
Transfers recognised - operational	18,104	65,706	27,291	32,358	33,531	33,531	–	37,621	41,383	45,935
Other own revenue	10,240	14,652	7,687	8,248	13,101	13,101	–	41,280	23,595	20,465
<b>Total Revenue (excluding capital transfers and contributions)</b>	90,191	153,683	118,779	137,048	144,972	144,972	–	198,184	190,118	202,321
Employee costs	32,914	37,834	41,029	44,471	51,617	51,617	–	56,940	60,926	66,104
Remuneration of councillors	3,311	3,581	3,715	3,998	–	–	–	4,288	4,567	4,863
Depreciation & asset impairment	11,206	12,708	1,261	8,853	–	–	–	7,103	7,529	8,019
Finance charges	2,797	2,779	2,462	5,535	1,105	1,105	–	1,504	1,584	1,661
Materials and bulk purchases	46,670	39,920	46,856	60,565	59,985	59,985	–	80,395	85,286	90,830
Transfers and grants	–	13,569	19	–	–	–	–	–	–	–
Other expenditure	19,352	23,775	20,706	27,114	46,073	46,073	–	29,118	29,227	29,370
<b>Total Expenditure</b>	116,250	134,165	116,049	150,535	158,779	158,779	–	179,348	189,118	200,848
<b>Surplus/(Deficit)</b>	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	18,836	1,000	1,472
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	18,836	1,000	1,472
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	18,836	1,000	1,472
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	–	–	–	50,598	29,954	29,954	–	67,310	14,225	27,901
Transfers recognised - capital	–	–	–	22,698	24,644	24,644	–	27,758	18,971	33,952
Public contributions & donations	–	–	–	–	–	–	–	–	4,254	2,200
Borrowing	–	–	–	27,900	5,310	5,310	–	27,000	–	–
Internally generated funds	–	–	–	–	–	–	–	12,552	–	7,349
<b>Total sources of capital funds</b>	–	–	–	50,598	29,954	29,954	–	67,310	23,225	43,501
<b>Financial position</b>										
Total current assets	24,636	31,135	45,021	26,160	26,160	26,160	26,160	95,769	99,287	113,223
Total non current assets	342,917	366,731	371,892	433,865	433,865	433,718	433,718	439,400	482,951	530,834
Total current liabilities	26,518	36,769	45,677	26,550	19,010	19,010	19,010	18,204	12,189	11,887
Total non current liabilities	23,673	23,669	25,953	54,642	54,642	54,642	54,642	29,078	2,181	2,290
Community wealth/Equity	317,362	337,427	345,284	378,833	378,833	378,833	378,833	397,669	37,867	400,141
<b>Cash flows</b>										
Net cash from (used) operating	4,966	44,849	13,846	24,473	24,473	24,473	24,473	45,456	45,191	60,559
Net cash from (used) investing	(5,412)	(36,139)	(1,321)	(50,408)	30,144	30,144	30,144	(67,370)	(18,971)	(25,952)

Nama Khoi Local Municipality

2012/13 Annual Budget and MTREF

Net cash from (used) financing	(2,131)	(868)	(2,032)	24,450	–	–	–	23,912	(2,928)	(2,776)
<b>Cash/cash equivalents at the year end</b>	<b>4,819</b>	12,661	23,153	7,260	63,362	63,362	63,362	6,880	30,172	62,003
<b><u>Cash backing/surplus reconciliation</u></b>										
Cash and investments available	4,819	9,068	15,846	7,260	7,260	7,260	7,260	8,640	9,640	10,622
Application of cash and investments	(3,442)	2,975	(7,890)	(12,354)	(10,983)	(10,983)	10,800	(68,861)	(97,718)	(119,285)
<b>Balance - surplus (shortfall)</b>	<b>8,261</b>	6,093	23,736	19,614	18,243	18,243	(3,540)	77,501	107,358	129,907
<b><u>Asset management</u></b>										
Asset register summary (WDV)	335,894	366,310	183	433,815	450,482	450,339	450,383	450,383	450,405	450,450
Depreciation & asset impairment	11,206	12,708	1,261	8,853	–	–	7,103	7,103	7,529	8,019
Renewal of Existing Assets	5,900	30,864	22,279	36,715	11,715	11,715	11,715	–	–	–
Repairs and Maintenance	10,669	7,037	–	9,048	–	–	11,280	11,280	–	–
<b><u>Free services</u></b>										
Cost of Free Basic Services provided	258	390	390	774	774	774	7,912	7,912	8,861	9,859
Revenue cost of free services provided	1,218	1,410	1,410	828	828	828	10,028	10,028	11,172	12,378
<b><u>Households below minimum service level</u></b>										
Water:	–	–	0	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	1	4	4	4	0	0	0	–
Energy:	–	–	2	–	–	–	–	–	–	–
Refuse:	–	–	1	–	–	–	–	–	–	–

Table 19 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NC062 Nama Khoi - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>35,791</b>	<b>45,506</b>	<b>48,251</b>	<b>49,924</b>	<b>58,305</b>	<b>58,305</b>	<b>94,531</b>	<b>100,189</b>	<b>106,694</b>
Executive and council		1,346	3,755	432	91	932	932	217	230	245
Budget and treasury office		34,179	40,580	46,829	49,618	55,800	55,800	92,924	98,499	104,902
Corporate services		267	1,171	990	215	1,573	1,573	1,390	1,460	1,547
<i><b>Community and public safety</b></i>		<b>25,207</b>	<b>16,798</b>	<b>3,146</b>	<b>6,420</b>	<b>6,355</b>	<b>6,355</b>	<b>4,968</b>	<b>5,216</b>	<b>5,502</b>
Community and social services		2,458	3,203	933	2,534	1,747	1,747	2,161	2,269	2,405
Sport and recreation		132	914	139	1,539	2,338	2,338	203	213	226
Public safety		2,315	1,979	2,074	2,347	2,270	2,270	2,604	2,734	2,871
Housing		20,302	10,702	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>33</b>	<b>31</b>	<b>91</b>	<b>6,099</b>	<b>2,859</b>	<b>2,859</b>	<b>31</b>	<b>33</b>	<b>35</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		26	25	91	6,095	2,847	2,847	31	33	35
Environmental protection		7	6	-	4	12	12	-	-	-
<i><b>Trading services</b></i>		<b>51,411</b>	<b>90,661</b>	<b>67,142</b>	<b>96,784</b>	<b>76,963</b>	<b>76,963</b>	<b>98,162</b>	<b>104,091</b>	<b>110,765</b>
Electricity		27,772	58,211	39,285	58,499	46,529	46,529	57,042	60,464	64,395
Water		14,162	22,641	16,955	26,717	17,193	17,193	23,775	25,320	26,966
Waste water management		4,099	4,195	4,816	5,127	6,848	6,848	9,385	9,949	10,546
Waste management		5,378	5,614	6,087	6,441	6,393	6,393	7,959	8,357	8,859
<i><b>Other</b></i>	4	<b>1,388</b>	<b>687</b>	<b>148</b>	<b>518</b>	<b>491</b>	<b>491</b>	<b>492</b>	<b>517</b>	<b>548</b>
<b>Total Revenue - Standard</b>	2	<b>113,831</b>	<b>153,683</b>	<b>118,779</b>	<b>159,746</b>	<b>144,972</b>	<b>144,972</b>	<b>198,184</b>	<b>210,046</b>	<b>223,544</b>
<b>Expenditure - Standard</b>	-									
<i><b>Governance and administration</b></i>		<b>16,677</b>	<b>33,417</b>	<b>28,857</b>	<b>36,977</b>	<b>40,408</b>	<b>40,408</b>	<b>55,587</b>	<b>58,367</b>	<b>61,869</b>
Executive and council		4,858	12,299	10,894	12,974	14,769	14,769	15,504	16,279	17,255
Budget and treasury office		6,530	13,165	8,017	16,135	15,942	15,942	29,746	31,233	33,107
Corporate services		5,289	7,953	9,946	7,868	9,697	9,697	10,338	10,855	11,506
<i><b>Community and public safety</b></i>		<b>30,251</b>	<b>20,586</b>	<b>8,380</b>	<b>10,528</b>	<b>10,305</b>	<b>10,305</b>	<b>9,963</b>	<b>10,461</b>	<b>11,088</b>
Community and social services		5,716	4,785	3,276	6,145	5,400	5,400	3,455	3,628	3,845



Sport and recreation		1,545	1,848	1,152	593	514	514	1,178	1,237	1,311
Public safety		2,687	3,248	3,765	3,790	4,365	4,365	5,330	5,596	5,932
Housing		20,303	10,704	–	–	–	–	–	–	–
Health		–	–	187	–	26	26	–	–	–
<b>Economic and environmental services</b>		<b>11,485</b>	<b>10,416</b>	<b>6,421</b>	<b>8,809</b>	<b>11,652</b>	<b>11,652</b>	<b>15,376</b>	<b>16,144</b>	<b>17,113</b>
Planning and development		608	692	–	–	–	–	–	–	–
Road transport		10,678	9,460	6,421	8,572	11,652	11,652	15,376	16,144	17,113
Environmental protection		199	264	–	237	–	–	–	–	–
<b>Trading services</b>		<b>56,134</b>	<b>68,361</b>	<b>72,195</b>	<b>93,674</b>	<b>95,840</b>	<b>95,840</b>	<b>98,216</b>	<b>103,930</b>	<b>110,548</b>
Electricity		29,778	33,321	38,874	50,107	51,980	51,980	54,851	58,142	61,921
Water		13,576	20,784	19,855	23,914	24,348	24,348	25,466	26,994	28,749
Waste water management		7,664	8,538	6,356	10,536	9,427	9,427	9,441	9,913	10,464
Waste management		5,116	5,719	7,111	9,116	10,086	10,086	8,458	8,881	9,414
<b>Other</b>	<b>4</b>	<b>1,703</b>	<b>838</b>	<b>195</b>	<b>546</b>	<b>574</b>	<b>574</b>	<b>206</b>	<b>217</b>	<b>230</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>116,250</b>	<b>133,618</b>	<b>116,049</b>	<b>150,535</b>	<b>158,779</b>	<b>158,779</b>	<b>179,348</b>	<b>189,118</b>	<b>200,848</b>
<b>Surplus/(Deficit) for the year</b>		<b>(2,419)</b>	<b>20,065</b>	<b>2,730</b>	<b>9,211</b>	<b>(13,806)</b>	<b>(13,806)</b>	<b>18,836</b>	<b>20,927</b>	<b>22,695</b>

#### References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

**Table 20 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

**NC062 Nama Khoi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description  R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue by Vote</b>	1									
Vote 1 - Municipal Manager		21,648	14,457	432	91	932	932	217	230	245
Vote 2 - Financial Services		34,179	40,580	46,829	49,618	55,800	55,800	92,924	98,499	104,902
Vote 3 - Corporate Services		1,009	2,143	990	985	1,573	1,573	1,390	1,460	1,547
Vote 4 - Community Services: Community Development		8,620	9,451	7,306	10,268	10,982	10,982	10,816	11,357	12,038
Vote 5 - Community Services: Public Safety		2,317	1,981	2,074	2,347	2,270	2,270	2,604	2,734	2,871
Vote 6 - Electrical Engineering Services		27,772	58,211	39,285	58,499	46,529	46,529	57,042	60,464	64,395
Vote 7 - Infrastructure, Engineering & Technical Services		18,287	26,860	21,862	37,939	26,886	26,886	33,192	35,302	37,547
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>113,831</b>	<b>153,683</b>	<b>118,779</b>	<b>159,746</b>	<b>144,972</b>	<b>144,972</b>	<b>198,184</b>	<b>210,046</b>	<b>223,544</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Municipal Manager		25,839	23,752	10,894	13,063	14,769	14,769	15,504	16,279	17,255
Vote 2 - Financial Services		6,530	13,165	8,017	16,135	15,942	15,942	29,746	31,233	33,107
Vote 3 - Corporate Services		6,276	8,824	9,946	8,932	9,697	9,697	10,338	10,855	11,506
Vote 4 - Community Services: Community Development		13,199	12,498	11,921	15,481	16,601	16,601	13,297	13,962	14,757
Vote 5 - Community Services: Public Safety		2,733	3,333	3,765	3,794	4,365	4,365	5,330	5,596	5,932
Vote 6 - Electrical Engineering Services		29,777	33,321	38,874	50,107	51,980	51,980	54,851	58,142	61,921
Vote 7 - Infrastructure, Engineering & Technical Services		31,895	38,724	32,632	43,023	45,426	45,426	50,282	53,051	56,369
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-

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		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>116,250</b>	<b>133,618</b>	<b>116,049</b>	<b>150,535</b>	<b>158,779</b>	<b>158,779</b>	<b>179,348</b>	<b>189,118</b>	<b>200,849</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>(2,419)</b>	<b>20,065</b>	<b>2,730</b>	<b>9,211</b>	<b>(13,807)</b>	<b>(13,807)</b>	<b>18,836</b>	<b>20,928</b>	<b>22,695</b>

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

**Table 21 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1										
Revenue By Source											
Property rates	2	19 731	20 096	22 061	21 858	20 693	20 693	–	29 919	31 715	36 472
Property rates - penalties & collection charges			362	456	468	–	–		1 211		
Service charges - electricity revenue	2	26 288	30 000	35 192	46 700	46 529	46 529	–	51 867	54 979	58 553
Service charges - w ater revenue	2	10 386	13 588	15 392	20 703	17 193	17 193	–	21 789	23 074	24 574
Service charges - sanitation revenue	2	3 924	4 832	5 449	5 228	6 848	6 848	–	6 053	6 410	6 795
Service charges - refuse revenue	2	212	3 892	4 528	995	6 393	6 393	–	7 959	8 429	8 935
Service charges - other						–	–				
Rental of facilities and equipment		998	1 221	1 041	1 143	867	867		1 258	1 384	1 536
Interest earned - external investments		1 306	554	723	490	684	684		485	534	592
Interest earned - outstanding debtors		913	779	1 003	939	600	600		1 224	1 347	1 495
Dividends received						–	–			–	–
Fines		443	177	178	244	7	7		424	466	518
Licences and permits		879	902	1 011	1 215	358	358		1 254	1 379	1 531
Agency services		1 080	939	942	1 011	1 114	1 114		1 206	1 326	1 472
Transfers recognised - operational		18 104	65 706	27 291	32 358	33 531	33 531		37 621	41 383	45 935
Other revenue	2	5 927	10 634	3 512	3 696	10 156	10 156	–	35 914	17 692	13 913
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		90 191	153 683	118 779	137 048	144 972	144 972	–	198 184	190 118	202 321
Expenditure By Type											
Employee related costs	2	32 914	37 834	41 029	44 471	51 617	51 617	–	56 940	60 926	66 104
Remuneration of councillors		3 311	3 581	3 715	3 998	–	–		4 288	4 567	4 863
Debt impairment	3	(1 417)	2 191	1 300	1 381	1 381	1 381		2 245	2 391	2 547
Depreciation & asset impairment	2	11 206	12 708	1 261	8 853	–	–	–	7 103	7 529	8 019
Finance charges		2 797	2 779	2 462	5 535	1 105	1 105		1 504	1 584	1 661
Bulk purchases	2	25 767	39 920	46 856	59 985	59 985	59 985	–	66 803	70 812	75 414
Other materials	8	20 902			580		–		13 591	14 475	15 416
Contracted services		308	983	843	447	481	481	–	124	132	140
Transfers and grants		–	13 569	19	–	–	–	–	–	–	–
Other expenditure	4, 5	20 461	20 602	18 564	25 287	44 211	44 211	–	26 748	26 703	26 683
Loss on disposal of PPE									–		
Total Expenditure		116 250	134 165	116 049	150 535	158 779	158 779	–	179 348	189 118	200 848
Surplus/(Deficit)		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472
Transfers recognised - capital											
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472
Taxation											
Surplus/(Deficit) after taxation		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472



**Table 22 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source****NC062 Nama Khoi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding**

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b><u>Capital expenditure - Vote</u></b>											
<b><u>Multi-year expenditure to be appropriated</u></b>	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	6,590	-	-
Vote 2 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	25,000	3,000	3,000	-	2,760	265	195
Vote 4 - Community Services: Community Development		-	-	-	-	-	-	-	8,200	2,650	1,050
Vote 5 - Community Services: Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		-	-	-	-	-	-	-	30,240	1,500	8,000
Vote 7 - Infrastructure, Engineering & Technical Services		-	-	-	11,883	4,673	4,673	-	19,520	18,810	34,256
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	36,883	7,673	7,673	-	67,310	23,225	43,501
<b><u>Single-year expenditure to be appropriated</u></b>	2										
Vote 1 - Municipal Manager		204	643	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		648	850	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		577	1,234	-	2,000	-	-	-	-	-	-
Vote 4 - Community Services: Community Development		292	533	-	1,380	4,556	4,556	-	-	-	-
Vote 5 - Community Services: Public Safety		29	8	-	-	-	-	-	-	-	-

Vote 6 - Electrical Engineering Services		369	23,300	–	10,335	9,949	9,949	–	–	–	–
Vote 7 - Infrastructure, Engineering & Technical Services		3,345	10,885	–	–	7,775	7,775	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
<b>Capital single-year expenditure sub-total</b>		<b>5,463</b>	<b>37,452</b>	<b>–</b>	<b>13,715</b>	<b>22,281</b>	<b>22,281</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Vote</b>		<b>5,463</b>	<b>37,452</b>	<b>–</b>	<b>50,598</b>	<b>29,954</b>	<b>29,954</b>	<b>–</b>	<b>67,310</b>	<b>23,225</b>	<b>43,501</b>
<b><u>Capital Expenditure - Standard</u></b>											
<b><i>Governance and administration</i></b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>2,000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9,350</b>	<b>265</b>	<b>195</b>
Executive and council							–		6,590		
Budget and treasury office							–				
Corporate services					2,000		–		2,760	265	195
<b><i>Community and public safety</i></b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>26,380</b>	<b>7,557</b>	<b>7,557</b>	<b>–</b>	<b>7,200</b>	<b>2,650</b>	<b>1,050</b>
Community and social services					25,000	3,400	3,400		1,200		
Sport and recreation					1,380	4,157	4,157		6,000	2,650	1,050
Public safety						–	–				
Housing						–	–				
Health						–	–				
<b><i>Economic and environmental services</i></b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>6,017</b>	<b>4,744</b>	<b>4,744</b>	<b>–</b>	<b>11,100</b>	<b>–</b>	<b>–</b>
Planning and development						–	–				
Road transport					6,017	4,744	4,744		11,100		
Environmental protection						–	–				
<b><i>Trading services</i></b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>16,201</b>	<b>17,653</b>	<b>17,653</b>	<b>–</b>	<b>39,660</b>	<b>11,310</b>	<b>26,656</b>
Electricity					10,335	9,949	9,949		30,240	1,500	8,000
Water					5,866	2,929	2,929		120	1,510	1,056
Waste water management						4,775	4,775		8,300	8,300	17,600
Waste management									1,000		
<b><i>Other</i></b>											

<b>Total Capital Expenditure - Standard</b>	3	-	-	-	50,598	29,954	29,954	-	67,310	14,225	27,901
<b>Funded by:</b>											
National Government					22,698	24,644	24,644		22,758	18,971	33,952
Provincial Government									5,000		
District Municipality											
Other transfers and grants											
<b>Transfers recognised - capital</b>	4	-	-	-	22,698	24,644	24,644	-	27,758	18,971	33,952
<b>Public contributions &amp; donations</b>	5									4,254	2,200
<b>Borrowing</b>	6				27,900	5,310	5,310		27,000		
<b>Internally generated funds</b>									12,552		7,349
<b>Total Capital Funding</b>	7	-	-	-	50,598	29,954	29,954	-	67,310	23,225	43,501



Table 23 MBRR Table A6 - Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		161	1 708	21 142	2 260				18	18	
Call investment deposits	1	4 658	7 359	–	5 000	–	–	–	8 622	9 622	10 622
Consumer debtors	1	12 125	14 578	20 653	17 600	–	–	–	87 129	89 647	102 601
Other debtors		5 497	6 619	1 470	300						
Current portion of long-term receivables		277	178	27	190						
Inventory	2	1 918	692	1 730	810						
<b>Total current assets</b>		<b>24 636</b>	<b>31 135</b>	<b>45 021</b>	<b>26 160</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>95 769</b>	<b>99 287</b>	<b>113 223</b>
<b>Non current assets</b>											
Long-term receivables		597	421	561	51						
Investments											
Investment property		169	163	163	147						
Investment in Associate											
Property, plant and equipment	3	342 148	366 128	371 148	433 650	–	–	–	439 400	482 951	530 834
Agricultural											
Biological											
Intangible		3	19	19	18						
Other non-current assets											
<b>Total non current assets</b>		<b>342 917</b>	<b>366 731</b>	<b>371 892</b>	<b>433 865</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>439 400</b>	<b>482 951</b>	<b>530 834</b>
<b>TOTAL ASSETS</b>		<b>367 553</b>	<b>397 866</b>	<b>416 914</b>	<b>460 025</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>535 169</b>	<b>582 238</b>	<b>644 057</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1			5 296							
Borrowing	4	2 511	2 505	–	3 500	–	–	–	2 919	3 064	3 218
Consumer deposits		1 068	1 260	1 321	1 410						
Trade and other payables	4	17 406	26 540	13 513	14 100	–	–	–	15 285	9 125	8 669
Provisions		5 533	6 465	25 547	7 540						
<b>Total current liabilities</b>		<b>26 518</b>	<b>36 769</b>	<b>45 677</b>	<b>26 550</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>18 204</b>	<b>12 189</b>	<b>11 887</b>
<b>Non current liabilities</b>											
Borrowing		8 730	7 689	5 168	29 424	–	–	–	27 000	–	–
Provisions		14 943	15 980	20 785	25 217	–	–	–	2 078	2 181	2 290
<b>Total non current liabilities</b>		<b>23 673</b>	<b>23 669</b>	<b>25 953</b>	<b>54 642</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>29 078</b>	<b>2 181</b>	<b>2 290</b>
<b>TOTAL LIABILITIES</b>		<b>50 191</b>	<b>60 439</b>	<b>71 629</b>	<b>81 192</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>47 282</b>	<b>14 370</b>	<b>14 177</b>
<b>NET ASSETS</b>	5	<b>317 362</b>	<b>337 427</b>	<b>345 284</b>	<b>378 833</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>487 887</b>	<b>567 868</b>	<b>629 880</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		294 807	312 073	319 929	354 779				397 669	37 867	400 141
Reserves	4	22 555	25 355	25 355	24 055	–	–	–	–	–	–
Minorities' interests											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>317 362</b>	<b>337 427</b>	<b>345 284</b>	<b>378 833</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>397 669</b>	<b>37 867</b>	<b>400 141</b>

Table 24 MBRR Table A7 - Budgeted Cash Flow Statement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		80 992	84 800	85 638	134 401				160 571	176 628	194 290
Gov emment - operating	1	42 886	59 505	46 158	32 358				35 944	37 849	40 795
Gov emment - capital	1				22 698				27 758	18 971	25 952
Interest		2 219	1 333	1 726	1 428				532	558	586
Div idends									-		
Payments											
Suppliers and employees		(119 813)	(98 010)	(117 214)	(160 878)				(175 809)	(187 236)	(199 406)
Finance charges		(1 318)	(2 779)	(2 462)	(5 535)				(1 504)	(1 579)	(1 658)
Transfers and Grants	1								(2 034)		
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 966	44 848	13 846	24 473	-	-	-	45 436	45 191	60 359
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			(36 404)	(1 331)					200	-	-
Decrease (Increase) in non-current debtors		53	275		190						
Decrease (increase) other non-current receiv ables			(17)	10							
Decrease (increase) in non-current inv estments			6	(0)							
Payments											
Capital assets		(5 465)			(50 598)				(67 570)	(18 971)	(25 952)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5 412)	(36 139)	(1 321)	(50 408)	-	-	-	(67 370)	(18 971)	(25 952)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-		
Borrowing long term/refinancing					27 900				27 000		
Increase (decrease) in consumer deposits			192	61	50				55	57	60
Payments											
Repay ment of borrowing		(2 131)	(1 060)	(2 094)	(3 500)				(3 143)	(2 985)	(2 836)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 131)	(868)	(2 032)	24 450	-	-	-	23 912	(2 928)	(2 776)
NET INCREASE/ (DECREASE) IN CASH HELD		(2 577)	7 842	10 493	(1 485)	-	-	-	1 998	23 292	31 831
Cash/cash equivalents at the year begin:	2	7 396	4 819	12 661	8 745			-	4 882	6 880	30 172
Cash/cash equivalents at the year end:	2	4 819	12 661	23 153	7 260	-	-	-	6 880	30 172	62 003

Table 25 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003
Other current investments > 90 days		0	(3 593)	(7 308)	(0)	(56 102)	(56 102)	(56 102)	1 760	(20 532)	(51 381)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		4 819	9 068	15 846	7 260	7 260	7 260	7 260	8 640	9 640	10 622
Application of cash and investments											
Unspent conditional transfers		7 951	4 567	–	–	–	–	–	5 600	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2								3 330		
Other working capital requirements	3	(11 392)	(1 592)	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(77 791)	(97 718)	(119 285)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(3 442)	2 975	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(68 861)	(97 718)	(119 285)
Surplus(shortfall)		8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	77 501	107 358	129 907



Table 26 MBRR Table A9 - Asset Management

## NC062 Nama Khoi - Table A9 Asset Management

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
<b>CAPITAL EXPENDITURE</b>										
<b><u>Total New Assets</u></b>	1	5,463	37,452	–	13,883	14,589	14,588	67,310	23,225	43,501
Infrastructure - Road transport		392	785	–	6,017	1,744	1,744	8,300	9,000	15,600
Infrastructure - Electricity		289	23,208	–	5,866	3,514	3,514	29,190	1,500	8,000
Infrastructure - Water		2,766	5,418	–	–	–	–	–	980	–
Infrastructure - Sanitation		76	–	–	–	4,775	4,775	6,300	8,300	17,600
Infrastructure - Other		–	1,451	–	–	–	–	2,300	530	1,056
Infrastructure		3,524	30,862	–	11,883	10,033	10,032	46,090	20,310	42,256
Community		–	1,222	–	–	4,556	4,556	7,200	2,650	1,050
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	5,670	–	–
Other assets	6	1,939	5,368	–	2,000	–	–	7,930	265	195
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	420	–	–
<b><u>Total Renewal of Existing Assets</u></b>	2	5,900	30,864	22,279	36,715	11,715	11,715	–	–	–
Infrastructure - Road transport		700	2,195	4,000	–	–	–	–	–	–
Infrastructure - Electricity		–	20,131	8,000	9,435	9,435	9,435	–	–	–
Infrastructure - Water		5,200	5,707	6,979	–	–	–	–	–	–
Infrastructure - Sanitation		–	293	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure	–	5,900	28,326	18,979	9,435	9,435	9,435	–	–	–
Community	–	–	2,538	3,300	26,380	1,380	1,380	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	900	900	900	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–

<b>Total Capital Expenditure</b>	4									
Infrastructure - Road transport		1,092	2,980	4,000	6,017	1,744	1,744	8,300	9,000	15,600
Infrastructure - Electricity		289	43,338	8,000	15,301	12,949	12,949	29,190	1,500	8,000
Infrastructure - Water		7,966	11,125	6,979	–	–	–	–	980	–
Infrastructure - Sanitation		76	293	–	–	4,775	4,775	6,300	8,300	17,600
Infrastructure - Other		–	1,451	–	–	–	–	2,300	530	1,056
Infrastructure		9,424	59,188	18,979	21,318	19,468	19,467	46,090	20,310	42,256
Community		–	3,760	3,300	26,380	5,936	5,936	7,200	2,650	1,050
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	5,670	–	–
Other assets		1,939	5,368	–	2,900	900	900	7,930	265	195
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	420	–	–
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	<b>11,363</b>	<b>68,316</b>	<b>22,279</b>	<b>50,598</b>	<b>26,304</b>	<b>26,303</b>	<b>67,310</b>	<b>23,225</b>	<b>43,501</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5									
Infrastructure - Road transport		108,898	105,976		98,110	109,980	109,980	109,989	109,998	110,014
Infrastructure - Electricity		36,446	58,283		71,068	66,296	66,296	66,325	66,326	66,334
Infrastructure - Water		76,916	80,230		90,675	87,212	87,212	87,212	87,213	87,213
Infrastructure - Sanitation		66,158	65,654		60,654	73,659	73,659	73,665	73,673	73,691
Infrastructure - Other		1,001	943		943	943	943	945	946	947
Infrastructure		289,419	311,085	–	321,449	338,090	338,090	338,136	338,156	338,199
Community		31,138	31,160		61,540	61,567	61,571	61,579	61,581	61,582
Heritage assets										
Investment properties		169	163	163	147	147	–	–	–	–
Other assets		15,166	23,882		50,660	50,660	50,660	50,668	50,668	50,669
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		3	19	19	18	18	18	–	–	–
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>335,894</b>	<b>366,310</b>	<b>183</b>	<b>433,815</b>	<b>450,482</b>	<b>450,339</b>	<b>450,383</b>	<b>450,405</b>	<b>450,450</b>
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation &amp; asset impairment</b>		11,206	12,708	1,261	8,853	–	–	7,103	7,529	8,019
<b>Repairs and Maintenance by Asset Class</b>	3	10,669	7,037	–	9,048	–	–	11,280	–	–
Infrastructure - Road transport		1,502	674	–	500	–	–	2,000	–	–
Infrastructure - Electricity		2,008	1,003	–	803	–	–	–	–	–
Infrastructure - Water		1,328	747	–	1,408	–	–	2,850	–	–

<i>Infrastructure - Sanitation</i>		948	966	–	739	–	–	2,000	–	–
<i>Infrastructure - Other</i>		–	–	–	–	–	–	4,430	–	–
Infrastructure		5,786	3,390	–	3,450	–	–	11,280	–	–
Community		42	1	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	4,842	3,645	–	5,598	–	–	–	–	–
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>21,876</b>	<b>19,744</b>	<b>1,261</b>	<b>17,901</b>	<b>–</b>	<b>–</b>	<b>18,383</b>	<b>7,529</b>	<b>8,019</b>
<i>Renewal of Existing Assets as % of total capex</i>		51.9%	45.2%	100.0%	72.6%	44.5%	44.5%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		52.6%	242.9%	1766.3%	414.7%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&amp;M as a % of PPE</i>		3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	2.6%	0.0%	0.0%
<i>Renewal and R&amp;M as a % of PPE</i>		5.0%	10.0%	12197.0%	11.0%	3.0%	3.0%	3.0%	0.0%	0.0%

Table 27 MBRR Table A10 - Basic Service Delivery Measurements

## NC062 Nama Khoi - Table A10 Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling				11,073	11,317	11,317	11,317	11,966	12,008	12,076
Piped water inside yard (but not in dwelling)				4,037	17	17	17	11	–	–
Using public tap (at least min.service level)	2			173		–	–			
Other water supply (at least min.service level)	4					–	–			
<i>Minimum Service Level and Above sub-total</i>		–	–	15,283	11,334	11,334	11,334	11,977	12,008	12,076
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4			298						
No water supply										
<i>Below Minimum Service Level sub-total</i>		–	–	298	–	–	–	–	–	–
<b>Total number of households</b>	5	–	–	15,581	11,334	11,334	11,334	11,977	12,008	12,076
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)				11,560	6,338	6,338	6,338	6,981	6,851	
Flush toilet (with septic tank)				581	190	190	190	1,220	1,248	
Chemical toilet				408	2,287	2,287	2,287	–		
Pit toilet (ventilated)				79		–	–	3,721	3,909	3
Other toilet provisions (> min.service level)				2,450		–	–			
<i>Minimum Service Level and Above sub-total</i>		–	–	15,078	8,815	8,815	8,815	11,922	12,008	3
Bucket toilet				79	4,000	4,000	4,000	55	20	
Other toilet provisions (< min.service level)				565		–				
No toilet provisions						–				
<i>Below Minimum Service Level sub-total</i>		–	–	644	4,000	4,000	4,000	55	20	–
<b>Total number of households</b>	5	–	–	15,722	12,815	12,815	12,815	11,977	12,028	3
<b>Energy:</b>										
Electricity (at least min.service level)				2,073		–	–			
Electricity - prepaid (min.service level)				11,702	8,589	8,589	8,589	8,996		
<i>Minimum Service Level and Above sub-total</i>		–	–	13,775	8,589	8,589	8,589	8,996	–	–
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources				1,932						

<i>Below Minimum Service Level sub-total</i>									
<b>Total number of households</b>	5	–	–	1,932	–	–	–	–	–
<b>Refuse:</b>		–	–	15,707	8,589	8,589	8,589	8,996	–
Removed at least once a week				14,529				11,284	
<i>Minimum Service Level and Above sub-total</i>		–	–	14,529	–	–	–	11,284	–
Removed less frequently than once a week				330					
Using communal refuse dump				79					
Using own refuse dump				628					
Other rubbish disposal				31					
No rubbish disposal				110					
<i>Below Minimum Service Level sub-total</i>		–	–	1,178	–	–	–	–	–
<b>Total number of households</b>	5	–	–	15,707	–	–	–	11,284	–
<b>Households receiving Free Basic Service</b>	7								
Water (6 kilolitres per household per month)		4,532	4,693	4,693	60	60	60	4,630	4,680
Sanitation (free minimum level service)		671	843	843	16	16	16	3,704	3,744
Electricity/other energy (50kwh per household per month)		4,532	4,693	4,693	42	42	42	3,704	3,744
Refuse (removed at least once a week)		3,861	3,850	3,850	39	39	39	–	–
<b>Cost of Free Basic Services provided (R'000)</b>	8				315	315	315		
Water (6 kilolitres per household per month)		111	204	204	92	92	92	3,820	4,401
Sanitation (free sanitation service)					219	219	219	1,997	2,130
Electricity/other energy (50kwh per household per month)		147	185	185	148	148	148	2,095	2,330
Refuse (removed once a week)					–	–	–		
<b>Total cost of FBS provided (minimum social package)</b>		258	390	390	774	774	774	7,912	8,861
<b>Highest level of free service provided</b>									
Property rates (R value threshold)					6	6	6	–	
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)					24	24	24	–	
Sanitation (Rand per household per month)					50	50	50	–	
Electricity (kwh per household per month)		50	50	50	85	85	85	50	50
Refuse (average litres per week)		240	240	240			–	240	240
<b>Revenue cost of free services provided (R'000)</b>	9								



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Property rates (R15 000 threshold rebate)		–	–	–	315	315	315	1,009	1,065	1,129
Property rates (other exemptions, reductions and rebates)		802	880	880	113	113	113			
Water		134	220	220	219	219	219	4,442	5,118	5,782
Sanitation		13	18	18	181	181	181	2,195	2,341	2,503
Electricity/other energy		147	162	162		–	–	2,382	2,648	2,964
Refuse		122	130	130		–	–			
Municipal Housing - rental rebates						–	–			
Housing - top structure subsidies						–	–			
Other						–	–			
<b>Total revenue cost of free services provided (total social package)</b>	<b>6</b>	<b>1,218</b>	<b>1,410</b>	<b>1,410</b>	<b>828</b>	<b>828</b>	<b>828</b>	<b>10,028</b>	<b>11,172</b>	<b>12,378</b>

## **Part 2 – Supporting Documentation**

### **1.8 Overview of the annual budget process**

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Municipality did not have a Budget Steering Committee, however there was a budget team which consists of all senior officials and middle management of the municipality meeting under the chairpersonship of the Municipal Manager. In the next budget cycle the budget Steering Committee will be established.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

**1.8.1 Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August

ACTIVITIES RELATED TO THE NEW BUDGET	IDP FOR THE NEXT YEAR	RESPONSIBILITY	DUE DATE
TIME SCHEDULES PLANNING			

2010) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule in August 2010. Key dates applicable to the process were:

**NAMA KHOI MUNICIPALITY PROCESS PLAN 2012- 2013**

Compilation of time schedules for the next budget cycle.		Head: Finance	July 2011
	Compilation of time schedules for the next IDP process.	Head: IDP/LED/Housing	July 2011
<b>TIME SCHEDULES AND CONSULTATIONS</b>			
Mayor submits new budget process and timeframes to the Council.	Mayor submits new IDP review process and timeframes to Council.	Mayor	August 2011
Advertisement (website, local newspapers and notice boards) of budget process and time schedules.	Advertisement (website, local newspapers and notice boards) of the new process, schedules and meetings of all forums and committees.	Municipal Manager	Within 5 days after submission to the Council
Ensure linkages of consultation of both the budget and IDP process take place.	Ensure linkages of consultation of both the budget and IDP process take place.	Mayor	Continuous process
Review all external mechanisms to ensure that all possible changes with agreements, which may have an impact on the next budget, are considered.		Municipal Manager	September 2011

**PERFORMANCE AND FINANCIAL CAPACITY**

<p>Based on the financial statements of the previous year and the results of performance investigations consider the financial position and capacity of the Municipality to determine the impact thereof on future strategies and budgets.</p>	<p>Review the performance of the IDP for the past year and consult with the community on performance and changes in needs (Steering Committee and IDP Rep Forum)</p>	<p>Head: IDP/LED/Housing</p> <p>Head: Finance</p>	<p>1 Oct– 21 Nov 2011</p> <p>September 2011</p>
<b>LONG TERM PLANNING</b>			
<p>In consultation with the Executive Committee, determine future priority areas for the Municipality to guide the budget allocations and IDP plans.</p> <p>Confirm present policy priorities and compile new policy priorities for the next three years.</p> <p>Executive Committee approves the policy directions and priority areas.</p> <p>Identify all factors, which may have an impact on future budgets and determine broad financial frameworks.</p> <p>Determine possible income/funding, which may become available for the next three years.</p> <p>Determine the most likely outcome and identify any needs for changes towards fiscal strategies.</p> <p>Refine income and funding policies, included tariff structures.</p>	<p>In consultation with the Executive Committee update the future directions, strategies and priorities for the next 3 to 5 years (Incorporate the feedback from the community)</p>	<p>Mayor</p>	<p>20 October 2011</p>

Prepare the initial allocations based on the financial capacity and the most likely future financial outcome.			
Executive Committee discusses the desire income, objectives, priorities and outputs for the next three years.	Executive Committee discusses the desire outcome, objectives, priorities and outputs for the next three years.		
<b>CONSULTATION WITH OTHER AUTHORITIES</b>			
Municipality derives inputs from National and Provincial Government and other bodies about factors which may influence the budget.		Municipal Manager	December 2011
Advertisement of requests for funding transfers to organizations outside the government spheres.		Municipal Manager	December 2011
<b>PREPARATION OF DRAFTS</b>		<b>All Managers/Heads</b>	<b>31 January 2012</b>
Preparation of draft IDP and capital and operational plans with costs and income projections. Incorporate in the first SDBIP.	Integrated with the IDP, including the update of budget frameworks		
Preparation of projections of functional allocations based on past performance and adjusts with known factors, known obligations and asset maintenance requirements.			
Adjust plans to establish link with available resources and policy priorities.			
Finalization of preliminary options for the IDP and budget for the next three years.			
Consider the impact on tariffs and consumers levies			
<b>PRIORITY DETERMINATION</b>			
Consult Executive Committee about the preliminary budget, tariff adjustments and IDP medium term		All Managers and Heads	February 2012

proposals.  Executive Committee discusses the preliminary budget, tariff adjustments and IDP proposals in consideration with the priorities and objectives which are included in the medium term proposals.  Go ahead with the finalization of the detailed operational plans and budgets.  Incorporate the objectives and operational plans in the draft Service Delivery and Budget Implementation Plan.  National and Provincial accountancy officials finalize any adjustments towards the projected allocations for the next three years no later than their own budgets.	Go ahead with the finalization of the detailed plans.	Executive Committee and Management  All Managers and Heads  All Managers and Heads  National and Provincial	February 2012  February 2012  February 2012  February 2012
<b>FINALISATION OF DRAFTS</b>			
Finalization of detailed draft budget for the next three years in accordance with the prescribed format.  Incorporate the draft budget proposals and monthly projections of Income, Expenditure, Capital and of Income per Source in the draft Service Delivery and Budget Implementation Plan.  Executive Committee receive the budget, draft SDBIP and updates to the IDP.	Finalization of detailed updates of the IDP and budget link.    Executive Committee receive the budget, draft SDBIP and updates to the IDP.	Head: Finance  Head: IDP/LED/Housing Head: Finance  Head: Finance	February 2012  February 2012 March 2012  March 2012
<b>CONSIDERATION OF DRAFT BUDGET</b>			
Executive Committee considers the budget.  Mayor submit budget, tariffs, draft SDBIP and updated IDP to Council by 31 March.	Executive Committee considers the IDP. Mayor submit budget, draft SDBIP and updated IDP to Council by 31 March.	Executive Committee  Mayor	March 2012  March 2012

The Council debates the budget and updated IDP.	The Council debates the budget and updated IDP.	Council	March 2012
<b>CONSULTATION</b>			
Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Municipal Manager	March 2012
Consultation with the community regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Consultation with the community regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Mayor	April 2012
Receive and analyze additional inputs of the communities, National and Provincial Government.	Receive and analyze additional inputs of the communities, National and Provincial Government.	Mayor	April – May 2012
Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council.	Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council	Mayor	May 2012
<b>FINAL APPROVAL</b>			
Mayor submits the review budget, tariffs and IDP with consideration of the inputs of the community and Council – no later than 31 May.	Mayor submits the review budget, tariffs and DP with consideration of the inputs of the community and Council – no later than 31 May.	Mayor	May 2012
Municipal Council approves the IDP and budget before 31 May	Municipal Council approves the IDP and budget before 31 May.	Council	May 2012
<b>PUBLICATIONS AND SDBIP</b>			



Publication of the budget, tariffs and IDP send a copy of the approved budget to the National and Provincial Government (for notification).	Publication of the budget, tariffs and IDP and send a copy of the approved budget to the National and Provincial Government	Municipal Manager	May 2012
Submit draft SDBIP and draft performance agreements of the Municipal Manager and Senior Managers to the Executive Mayor for approval.		Municipal Manager	June 2012
Approval of SDBIP and performance agreements. Advertise the SDBIP and performance agreements (notification).		Municipal Manager	June 2012
Submission of performance agreements to the MEC of COGHSTA (special council meeting).		Mayor	July 2012
		Mayor	July 2012
<b>BUDGET IMPLEMENTATION</b>			
Implementation of the budget.		Municipal Manager	July 2012
Start with the preparation of the next budget.		Mayor	July 2012
Review the budget, if necessary		Mayor	January 2013

The key deadlines were not followed as per the budget time schedule and council, however the budget was approved on the 31<sup>st</sup> of May 2012 and all processes were followed.

### **1.8.2 IDP and Service Delivery and Budget Implementation Plan**

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the first revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process

### **1.8.3 Financial Modeling and Key Planning Drivers**

As part of the compilation of the 2012/13 MTREF, an extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2012/13 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

#### 1.8.4 Community Consultation

The draft 2012/13 MTREF as tabled before Council on 2 April 2012 for community consultation was published in the local news paper, the municipality's big screen, the local radio station and hard copies were made available at customer care offices, municipal notice boards and various libraries.

A schedule (electronic and printed) was provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

The office of the speaker were utilised to facilitate the community consultation process from 15 to 24 May 2012, and included 17 public briefing sessions. The applicable dates and venues were published in all the local newspapers and the local radio station and a good turn-up was recorded. This is up on the previous year's process.



# Nama Khoi Munisipaliteit

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Begroting

<b>DATUM</b>	<b>DORP</b>	<b>TYD</b>	<b>SAAL</b>	<b>RAADSLEDE</b>	<b>Groep</b>	<b>Admin Beampte</b>
Dinsdag 15 Mei 2012	Bergsig Wyk 5	18:00	Libra Saal	Mnr S Kleinbooi Mnr W S Jordaan	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries
Dinsdag 15 Mei 2012	Nababeep Wyk 9	18:00	Junior Klubsaal	Me G Pieters Mnr F van Wyk G J Coetzee K Groenewald W Goedeman	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Woensdag 16 Mei 2012	Vioolsdrift Wyk 2	18:00	Skool	Mnr E Maritz	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Rooiwal Wyk 2	14:00	Dienspunt	Mnr F Cupido	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Goodhouse Wyk 2	14:00	Dienspunt	W T Cloete	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries

Donderdag 17 Mei 2012	Okiep Wyk 6	18:00	Rec Klub	Mnr G Cloete Mnr L Faber KS Ventura	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Concordia Wyk 1	18:00	Gemeenskap Saal	Me K Groenewaldt	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries
Maandag 21 Mei 2012	Steinkopf Wyk 2,3	18:00	Gemeenskap Saal	Mnr E Maritz Mnr F Cupido G J Coetzee K Groenewald	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
	Matjieskloof Wyk 7	18:00	Parogie Saal	Me D Hoskin Me M Magerman W Goedeman V van Dyk	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Dinsdag 22 Mei 2012	Springbok Wyk 4	18:00	Skousaal	Me V van Dyk	Groep 1	Lionel Van Wyk Claudia Vries

						Leandra Vries
	Carolusberg Wyk 4	18:00	Rec Klub	Mnr W Jordaan	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Woensdag 23 Mei 2012	Bulletrap Wyk 3	14:00	Dienspunt	Mnr F Cupido	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
	Rooiwinkel Wyk 6	14:00	Green Spot Saal	Mnr G Cloete Mnr L Faber	Groep 2	Carmen Vries Dewald Rooi Paul Swartbooi
Woensdag 23 Mei 2012	Vaalwater Wyk 7	18:00	Gemeenskapsaal	S. D. Hoskin KS Ventura SJC van Wyk Simon Kleinbooi G Coetzee	Groep 1,2	Carmen Vries Dewald Rooi Claudia Cloete Leandra Vries Lionel van Wyk
Donderdag 24 Mei 2012	Kommagas Wyk 8	14:00	Crèche	Mnr W Goedeman V van Dyk KS Ventura	Groep 1	Lionel van Wyk Claudia Vries Leandra van Wyk

	Buffelsrivier Wyk 8	18:00	Gemeenskap Saal	Mnr W Goedeman V van Dyk KS Ventura	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
Donderdag 24 Mei 2012	Kleinsee Wyk 8	18:00	Rec Klub	Mnr. W Goedeman V van Dyk KS Ventura	Groep 2	Dewald Rooi Carmen Vries Paul Swartbooi

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2012/13 MTREF. The following are some of the issues and concerns raised as well as comments received during the consultation process:

- É Capital expenditure is not allocated to the areas in the same ratio as the income derived from those areas. This is a normal practice in a collective taxation environment. The Municipality is responsible for managing the equitable use of resources to ensure that constitutional imperative to progressively improve basic services in undeveloped areas is realized in a sustainable manner over a reasonable period of time;
- É Several complaints were received regarding poor service delivery, especially city cleaning and the state of road infrastructure;
- É Poor performance of contractors relating to infrastructure development and maintenance especially in the areas of road construction and maintenance were raised;
- É The affordability of tariff increases, especially electricity, was raised on numerous occasions. This concern was also raised by organized business as an obstacle to economic growth;
- É Pensioners cannot afford the tariff increases due to low annual pension increases; and
- É During the community consultation process large sections of the community made it clear that they are not in favor of any further tariff increases to fund additional budget requests. They indicated that the municipality must do more to ensure efficiencies and value for money.
- É The community raised their concern about the difference between tariffs for sewer and conservancy tanks, the basic fee for water and paying for a streetlight in front of their home.

## 1.9 Overview of alignment of annual budget with IDP

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2012/13 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 28 IDP Strategic Objectives**



2012/13 Objectives	2012/13 Goals
1. Basic services and infrastructure	To ensure sustainable service delivery in respect of water, electricity, sanitation and solid waste management, storm water and roads to all residents of Nama Khoi municipality
2. Local economic development	Development and implementation of Nama Khoi development and LED strategy to ensure the alignment to the economic sectors and also assist the SMME's in cooperation with other stake holders
3. Municipal Transformation and Institutional Development	
4. Financial Viability	Strategic and sustainable budgeting, revenue protection and debt control, grow and diversify revenue and value for money in expenditure through the integrated financial plan
5. Good governance and Community participation.	

The 2012/13 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 29 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

**NC062 Nama Khoi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)**

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation			5,902	6,375							
	Develop, manage and regulate the built and natural environment											
Quality Living Environment	Meet service needs and address backlogs			40,157	78,697	61,147	96,438	73,415	73,415	90,233	95,766	101,941
Safe, Healthy and Secure Environment	Promoting the safety of citizens			2,317	1,981	2,074	2,347	2,270	2,270	2,604	2,734	2,871
	Promoting the health of citizens											
Embracing our Cultural Diversity	Promote sport and recreation			8,620	9,451	7,306	10,268	10,982	10,982	10,816	11,357	12,038

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Good Governance	within the town			21,648	14,457	432	91	932	932	217	230	245
	Ensure accessibility and promote governance.											
	Create an efficient, effective and accountable administration			1,009	2,143	990	985	1,573	1,573	1,390	1,460	1,547
Financial Viability and Sustainability	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure			34,179	40,580	46,829	49,618	55,800	55,800	92,924	78,571	83,678
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	113,831	153,683	118,779	159,746	144,972	144,972	198,184	190,118	202,321

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

**Table 30 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure****NC062 Nama Khoi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)**

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation			6,965	7,494		10,901					
	Develop, manage and regulate the built and natural environment											
Quality Living Environment	Meet service needs and address backlogs			81,650	82,488	71,506	92,449	97,406	97,406	105,134	111,193	118,291
Safe, Healthy and Secure Environment	Promoting the safety of citizens			3,501	4,766	3,765	5,529	4,365	4,365	5,330	5,596	5,932
	Promoting the health of citizens											

Embracing our Cultural Diversity	Promote sport and recreation within the town		5,344	5,118	11,921	4,294	16,601	16,601	13,297	13,962	14,757	
Good Governance	Ensure accessibility and promote governance.		12,260	20,587	10,894	21,227	14,769	14,769	15,504	16,279	17,255	
	Create an efficient, effective and accountable administration				9,946		9,697	9,697	10,338	10,855	11,506	
Financial Viability and Sustainability	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure Create an efficient, effective and accountable administration		6,530	13,165	8,017	16,135	15,942	15,942	29,746	31,233	33,107	
Total Expenditure			1	116,250	133,618	116,049	150,535	158,779	158,779	179,348	189,118	200,849

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op expenditure balance

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**Table 31 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure**

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
R thousand													
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	A		392	785								
		B											
Quality Living Environment	Develop, manage and regulate the built and natural environment	C		292	228		25 000						
	Meet service needs and address backlogs	D		3 322	33 400		22 218	22 397	22 397	50 760	11 310	26 656	
Safe, Healthy and Secure Environment	Promoting the safety of citizens	E		29	8								
		F											
Embracing our Cultural Diversity	Promoting the health of citizens	G											
	Promote sport and recreation within the town	H		–	305		1 380	7 557	7 557	7 200			
Good Governance		I											
	Ensure accessibility and promote governance.	J					2 000			6 590	2 650	1 050	
		K											
	Create an efficient, effective and accountable administration	L								2 760	265	195	
		M											
	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure	N		1 428	2 726								
Financial Viability and Sustainability		O											
		P											
Allocations to other priorities				3									
Total Capital Expenditure				1	5 463	37 452	–	50 598	29 954	29 954	67 310	14 225	27 901

**1.10 Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative

requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, Nama Khoi municipality did not have a performance management system, however the municipality has developed and will implement a performance management system in the current financial year,

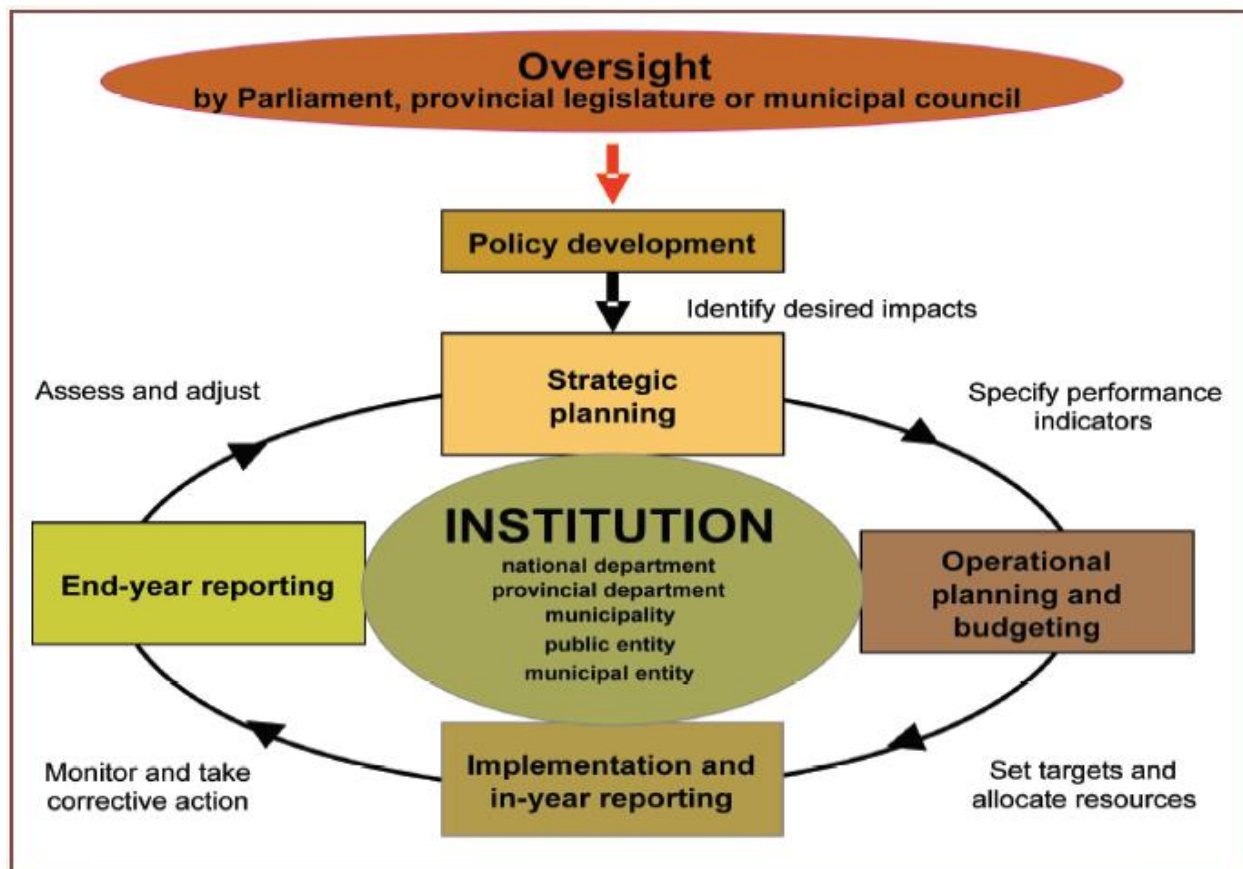


Figure 3 Planning, budgeting and reporting cycle

The following table sets out the municipalities main performance objectives and benchmarks for the 2012/13 MTREF.

**Table 32 MBRR Table SA8 - Performance indicators and benchmarks**

Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b><u>Borrowing Management</u></b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.2%	2.9%	3.9%	6.0%	0.7%	0.7%	0.0%	2.6%	2.4%	2.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	6.8%	4.4%	5.0%	8.6%	1.0%	1.0%	0.0%	2.9%	3.1%	2.9%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	59.7%	0.0%	0.0%
<b><u>Safety of Capital</u></b>											
Gearing	Long Term Borrowing/ Funds & Reserves	38.7%	30.3%	20.4%	122.3%	122.3%	122.3%	122.3%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	0.9	0.8	1.0	1.0	1.4	1.4	1.4	5.3	8.1	9.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.9	0.8	1.0	1.0	1.4	1.4	1.4	5.3	8.1	9.5
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.2	0.5	0.3	0.4	0.4	0.4	0.5	0.8	0.9
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		114.5%	97.3%	94.4%	129.2%	121.5%	121.5%	0.0%	100.3%	119.2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	100.3%	119.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	20.5%	14.2%	19.1%	13.2%	12.5%	12.5%	0.0%	44.0%	47.2%	50.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b><u>Creditors Management</u></b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		196.2%	153.1%	58.4%	148.8%	17.0%	17.0%	17.0%	139.6%	30.2%	14.0%
<b><u>Other Indicators</u></b>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.5%	24.6%	34.5%	32.4%	35.6%	35.6%	0.0%	28.7%	32.0%	32.7%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.3%	26.2%	37.9%	34.7%	32.8%	32.8%		19.7%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	11.8%	4.6%	0.0%	6.6%	0.0%	0.0%		5.7%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15.5%	10.1%	3.1%	10.5%	0.8%	0.8%	0.0%	4.3%	4.8%	4.8%
<b><u>IDP regulation financial viability indicators</u></b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	30.1	23.0	18.6	73.3	73.3	73.3	–	45.3	43.5	45.7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	29.1%	28.9%	26.3%	18.6%	18.4%	18.4%	0.0%	72.6%	71.2%	75.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.7	1.4	2.7	0.7	5.7	5.7	–	0.6	2.4	4.5

### 1.10.1 Providing clean water and managing waste water

The Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. Approximately 95 per cent of the Municipality's bulk water needs are provided directly by Sedibeng Water in the form of purified

water. The remaining 5 per cent is generated from the Municipality's own water sources, such as boreholes.

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

Sedibeng Water and the Municipality were awarded Blue Drop status in 2011/12, indicating that the Municipality's drinking water is of exceptional quality.

The Green and Blue drop certificate is a program facilitate by DWAF to ensure that all municipalities produce water quality that is safe for drinking. The green drop focuses on the waste water treatment works to ensure that these facilities are well managed and comply with environmental requirements, whilst the Blue drop focus on the management of the water treatment works to ensure that com are provided with safe water.

### **The Blue drop status:**

Nama Khoi Local Municipality, assisted by Sedibeng Water can be satisfied with a commendable performance. Although the overall municipal performance reflects a slight improvement from 57.96% to 63.5%, the increased number of supply systems presented for evaluation implies that the municipality and Sedibeng Water is in process of developing more system specific drinking water quality management systems for the areas previously all assessed under the Namakwa Water Board supply system. Efforts should persist to effect a positive change in the quality of service provided to residents of Nama Khoi. While the WSA and WSP jointly develop and define system specific water safety plans, monitoring should improve to ensure availability of sufficient data to confidently access the microbiological and chemical quality of the water available for consumption. The WSA and WSP should also synchronize their supply systems as registered on the Blue Drop System. Compliance of drinking water in systems receiving water from the Henkries treatment facility has been calculated from data submitted by both the WSA and WSP, DWA however requires additional information related to flow of water to ensure that the weighted compliance truly signifies the water available for consumption in the respective water supply systems. Nama Khoi needs to commence monitoring of chemical determinants in all the supply systems, the WSA and WSP should also prioritize the areas plagued by microbiological failures for treatment and in particular, disinfection process optimization. Data available to the Department infers that water in the Carolusberg, Springbok, Nababeep, Concordia, Buffelsrivier, Kommagas and Vioolsdrift are of a microbiological quality not compliant with the requirements of the South African national standard for drinking water (SANS 241). Water to Fonteintjie, Bergsig and Matjieskloof also appears to pose a risk of infection; the latter three systems were however again not presented for Blue Drop evaluation.

### **The Green Drop status:**

The risk rating has decreased only for the Bersig and Okiep wastewater treatment works. The remaining six wastewater treatment plants have an increased risk rating. The lack of effluent compliance monitoring has contributed to the risk rating of all plants. Bersig and Okiep plants are categorized as medium risk while the remaining plants are high risk plants. The risk category is lower for the Bersig and Okiep plants as a result of influent flow rate monitoring. Flow metering is not available at the remaining plants.



The NamaKhoi Local Municipality has not developed a Green Drop corrective action plan but it is anticipated that the development and implementation of the W2RAP will facilitate the Municipality to ensure a risk based approach to the development and implementation of actions required to address the poor performance of the WWTWs. Improved compliance with the Green Drop criteria and a reduction of the risk rating will require management support and the appropriate allocation of resources for implementation of corrective actions.

## 1.11 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Below is the list of all financial policies that were reviewed and adopted by the Council

Budget related policy	Approved date	Resolution no.	Reviewed/New
Tariff policy	19 November 2010		31 May 2012
Debt collection policy	19 November 2010		31 May 2012
Indigent policy	19 November 2010		31 May 2012
Property rates policy	19 November 2010		31 May 2012
Cash and investment policy	19 November 2010		31 May 2012
Funds and reserve policy	19 November 2010		31 May 2012

## 1.12 Overview of budget assumptions

### 1.12.1 External factors

Domestically, after five years of relatively steady growth, between the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2011, unemployment level declined by 96 000 resulting in a decline in the unemployment rate 0.7 percentage point to 25%. This is the first quarter this year to record a decline in unemployment level after an increase of 227 000 and 174 000 in the first and second quarter respectively. However, levels of unemployment still remain high compared to the same quarter last year

The unemployment rate at the end of 4<sup>th</sup> quarter 2011 was standing at 23.9 per cent nationally and at 26.7 per cent for Northern Cape. Nama Khoi Municipality is participating in the EPWP and created 57 jobs for the 2010/11 financial year. For the 3<sup>rd</sup> quarter of 2011 our records show 217 jobs.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

### 1.12.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2012/13 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 33 per cent of total operating expenditure in the 2011/12 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

Headlines mentioned by National Treasury in circular 58 were taken into consideration when compiling 2012/13 MTREF

HEADLINES INFLATION FORECASTS AS PER NATIONAL TREASURY GUIDELINES CIRCULAR 58		
2012/13	2013/14	2014/15
5.4%	5.6%	5.4%

A provision for 8 per cent increase in salaries has been made

### 1.12.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The Municipality engages in a number of financing arrangements to minimise its interest rate costs and risk. However, for simplicity the 2012/13 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular and bi-yearly principal and interest payments.

### 1.12.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (95 per cent) of annual billings. Cash flow is assumed to be 95 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

### 1.12.5 Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

#### **1.12.6 Salary increases**

The three year collective agreement regarding salaries/wages has come to an end. While negotiations are still in process Nama Khoi has made a provision of 8% salary across the 2012/13 MTREF

#### **1.12.7 Impact of national, provincial and local policies**

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- É Creating jobs;
- É Enhancing education and skill development;
- É Improving Health services;
- É Rural development and agriculture; and
- É Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

#### **1.12.8 Ability of the municipality to spend and deliver on the programmes**

It is estimated that a spending rate of at least 90 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2012/13 MTREF of which performance has been factored into the cash flow budget.

In order to be able to implement all projects in the budget the municipality will need to strictly implement its credit control policy. The municipality is in negotiation with funders for the feasibility study on Non-Revenue Water. The municipality will also embark on the project where they will do a door to door for the collection of data and to update its indigent register.

## 1.13 Overview of budget funding

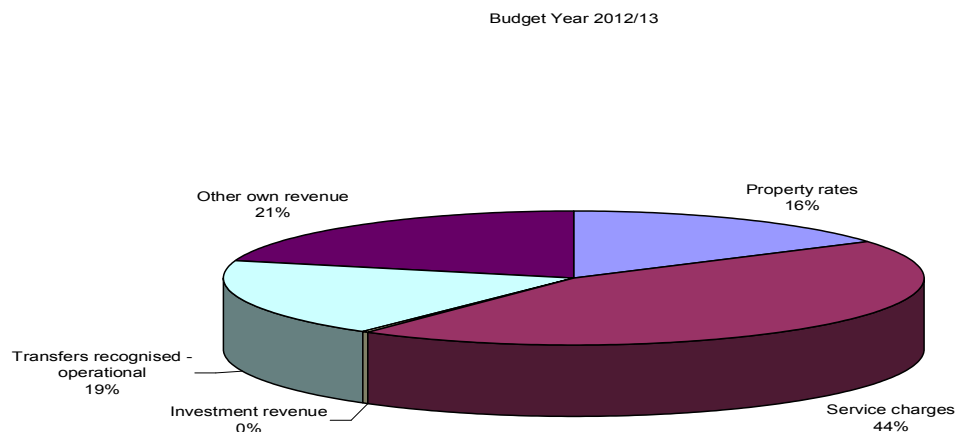
### 1.13.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

**Table 33 Breakdown of the operating revenue over the medium-term**

Total Operating Revenue	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Property rates	31,130,241.00	31,714,557.64	36,471,741.29
Service charges	87,667,859.00	92,892,129.58	98,855,922.26
Investment revenue	485,160.00	533,676.00	592,380.36
Transfers recognized - operational	37,621,063.00	41,383,169.30	45,935,317.92
Other own revenue	41,279,901.00	23,594,518.37	20,465,359.31

The following graph is a breakdown of the operational revenue per main category for the 2012/13 financial year.



**Figure 4 Breakdown of operating revenue over the 2012/13 MTREF**

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totaling R87 million for the 2012/13 financial year and increasing to R92 million by 2013/14. For the 2011/12 financial year services charges amount to 53 per cent of the total revenue base and grows by 6 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.

Operational grants and subsidies amount to R37 million, R41 million and R45 million for each of the respective financial years of the MTREF, or 19, 22 and 23 per cent of operating revenue. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 22 per cent and 23 per cent for the two outer years. The percentage of the total operational grants and transfers in relation to the total operating revenue is distorted owing to the high increases in revenue relating to services charges.

Investment revenue contributes marginally to the revenue base of the Municipality with a budget allocation of R 485 thousand, R 533 thousand and R 592 thousand for the respective three financial years of the 2012/13 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

**The tables below provide detail investment information and investment particulars by maturity.**

**Table 34 MBRR SA15 – Detail Investment Information****NC062 Nama Khoi - Supporting Table SA15****Investment particulars by type**

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government Listed Corporate Bonds		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Deposits - Bank		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Deposits - Public Investment Commissioners		4,658	7,359		5,000	15,166	15,166	9,103	9,500	15,830
Deposits - Corporation for Public Deposits Bankers		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Acceptance Certificates		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Negotiable Certificates of Deposit - Banks		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Guaranteed Endowment Policies (sinking)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Repurchase Agreements - Banks		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Municipal Bonds		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Municipality sub-total</b>	1	4,658	7,359	–	5,000	15,166	15,166	9,103	9,500	15,830

**Table 35 MBRR SA16 – Investment particulars by maturity****NC062 Nama Khoi - Supporting Table SA16****Investment particulars by maturity**

Investments by Maturity  Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
		Yrs/Months								Rand thousand	
<b>Parent municipality</b>	1										
Deposit-Bank ABSA		0	Money Market	Yes	Variable	5%	n/a	n/a	On Call	9,103	454
<b>Municipality sub-total</b>										9,103	454

### 1.13.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2012/13 medium-term capital programme:

**Table 36 Sources of capital revenue over the MTREF**

Vote Description  R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b><u>Capital expenditure - Vote Multi-year expenditure to be appropriated</u></b>	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	6,590	-	-
Vote 2 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	25,000	3,000	3,000	-	2,760	265	195
Vote 4 - Community Services: Community Development		-	-	-	-	-	-	-	8,200	2,650	1,050
Vote 5 - Community Services: Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		-	-	-	-	-	-	-	30,240	1,500	8,000
Vote 7 - Infrastructure, Engineering & Technical Services		-	-	-	11,883	4,673	4,673	-	19,520	18,810	34,256
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	36,883	7,673	7,673	-	67,310	23,225	43,501
<b><u>Single-year expenditure to be appropriated</u></b>	2										
Vote 1 - Municipal Manager		204	643	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		648	850	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		577	1,234	-	2,000	-	-	-	-	-	-
Vote 4 - Community Services: Community Development		292	533	-	1,380	4,556	4,556	-	-	-	-
Vote 5 - Community Services: Public Safety		29	8	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		369	23,300	-	10,335	9,949	9,949	-	-	-	-
Vote 7 - Infrastructure, Engineering & Technical Services		3,345	10,885	-	-	7,775	7,775	-	-	-	-



Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>5,463</b>	<b>37,452</b>	<b>-</b>	<b>13,715</b>	<b>22,281</b>	<b>22,281</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Vote</b>		<b>5,463</b>	<b>37,452</b>	<b>-</b>	<b>50,598</b>	<b>29,954</b>	<b>29,954</b>	<b>-</b>	<b>67,310</b>	<b>23,225</b>	<b>43,501</b>
<b><u>Capital Expenditure - Standard</u></b>											
<b><i>Governance and administration</i></b>		-	-	-	2,000	-	-	-	9,350	265	195
Executive and council							-		6,590		
Budget and treasury office							-				
Corporate services					2,000		-		2,760	265	195
<b><i>Community and public safety</i></b>		-	-	-	26,380	7,557	7,557	-	7,200	2,650	1,050
Community and social services					25,000	3,400	3,400		1,200		
Sport and recreation					1,380	4,157	4,157		6,000	2,650	1,050
Public safety						-	-				
Housing						-	-				
Health						-	-				
<b><i>Economic and environmental services</i></b>		-	-	-	6,017	4,744	4,744	-	11,100	-	-
Planning and development						-	-				
Road transport					6,017	4,744	4,744		11,100		
Environmental protection						-	-				
<b><i>Trading services</i></b>		-	-	-	16,201	17,653	17,653	-	39,660	11,310	26,656
Electricity					10,335	9,949	9,949		30,240	1,500	8,000
Water					5,866	2,929	2,929		120	1,510	1,056
Waste water management						4,775	4,775		8,300	8,300	17,600
Waste management									1,000		
<b><i>Other</i></b>											
<b>Total Capital Expenditure - Standard</b>	3	-	-	-	50,598	29,954	29,954	-	67,310	14,225	27,901
<b><u>Funded by:</u></b>											
National Government					22,698	24,644	24,644		22,758	18,971	33,952
Provincial Government									5,000		
District Municipality											

Other transfers and grants											
Transfers recognised - capital	4	-	-	-	22,698	24,644	24,644	-	27,758	18,971	33,952
Public contributions & donations	5									4,254	2,200
Borrowing	6				27,900	5,310	5,310		27,000		
Internally generated funds									12,552		7,349
<b>Total Capital Funding</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,598</b>	<b>29,954</b>	<b>29,954</b>	<b>-</b>	<b>67,310</b>	<b>23,225</b>	<b>43,501</b>

Funded By:	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
National Government	22,758,000.00	18,971,000.00	33,952,000.00
Provincial Government	5,000,000.00		
District Municipality			
Other transfers and grants			
Public contributions & donations		4,254,000.00	2,200,000.00
Borrowing	27,000,000.00		
Internally generated funds	12,552,000.00		7,349,000.00

The above table is graphically represented as follows for the 2012/13 financial year.

Budget Year 2012/13

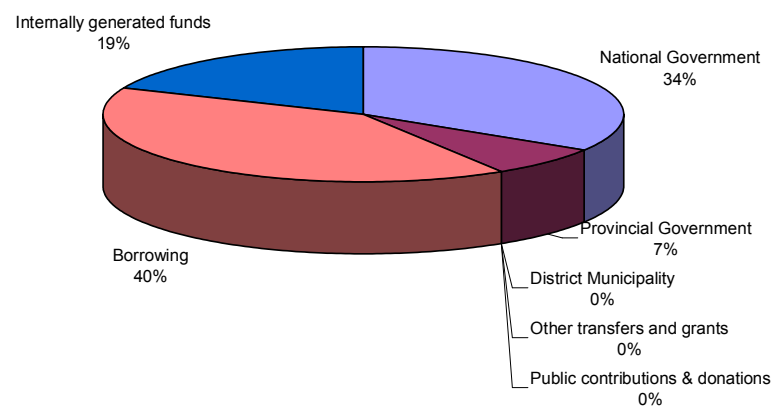


Figure 5 Sources of capital revenue for the 2012/13 financial year

Capital grants and receipts equates to 34 per cent of the total funding source which represents R 67.3 million for the 2012/13 financial year and decrease to R23.2 million by 2013/14. Growth relating to grant receipts is decreasing with 17 per cent and increasing with 79 per cent respectively for the outer years.

The following table is a detailed analysis of the Municipality's borrowing liability.

**Table 37 MBRR Table SA 17 - Detail of borrowings**

**NC062 Nama Khoi -  
Supporting Table SA17  
Borrowing**

Borrowing - Categorized by type  R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)		8,135	6,619		29,369	29,369	29,369	27,000	-	-
Long-Term Loans (non-annuity)										
Local registered stock Instalment Credit										
Financial Leases		596	1,070		56	56	56	-	-	-
PPP liabilities										
Finance										
Granted By Cap										
Equipment										
Supplier										
Marketable										
Bonds										
Non-Marketable Bonds										
Bankers										
Acceptances										
Financial derivatives										
Other										
Securities										
<b>Municipality sub-total</b>	1	8,730	7,689	-	29,424	29,424	29,424	27,000	-	-

Borrowing still remains a significant funding source for the capital programme over the medium-term with an estimated R27 million to be raised for the 2012/13 financial year totalling 40 per cent of the total funding of the capital budget for the financial year.



**Table 38 MBRR Table SA 18 - Capital transfers and grant receipts****NC062 Nama Khoi - Supporting Table SA18 Transfers and grant receipts**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
<b>RECEIPTS:</b>	1,									
<b>- Operating Transfers and Grants</b>	2									
<b>National Government:</b>		14,822	24,036	29,172	31,586	-	-	34,768	37,849	40,795
Local Government Equitable Share		13,438	21,765	27,222	28,625			32,468	35,199	38,095
Finance Management Grant		500	750	1,200	1,450			1,500	1,750	1,750
Municipal Systems Improvemen Grant		735	850	750	790			800	900	950
DWAF:WSACDBP		149	671							
Integrated National Electricity Program					721					
Other transfers/grants [insert description]										
Reginional Bulk Infr Grant										
<b>Provincial Government:</b>		25,589	8,535	-	772	-	-	6,846	-	-
Library		701	579		772			1,176		
Taxi Rank			826							
Sport Development		309								
Housing		24,580	7,129					5,670		
Other transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	900	-	-	-	-	-	-	-
DBSA			900							

<b>Total Operating Transfers and Grants</b>	5	40,411	33,471	29,172	32,358	-	-	41,614	37,849	40,795
<b><u>Capital Transfers and Grants</u></b>										
<b>National Government:</b>		2,844	27,981	17,979	22,698	-	-	22,088	18,971	25,952
Integrated National Electricity Program		2,000	20,130	9,979	9,435			1,000	2,000	8,000
Municipal Infrastructure Grant		844	7,851	8,000	13,263			16,088	16,971	17,952
Municipal Infrastructure Grant (MIG)								1,000		
ACIT								4,000		
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		63	1,839	4,850	-	-	-	-	-	-
Various projects		63	1,638	4,850						
World Cup 2010 Equipment			200							
<b>Other grant providers:</b>		-	-	800	-	-	-	27,000	-	-
DBSA										
External Loan				800				27,000		
<b>Total Capital Transfers and Grants</b>	5	2,907	29,820	23,629	22,698	-	-	49,088	18,971	25,952
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		43,318	63,291	52,801	55,056	-	-	90,702	56,820	66,747

### 1.13.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

**Table 39 MBRR Table A7 - Budget cash flow statement**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other	1	80 992	84 800	85 638	134 401	134 401	134 401	134 401	160 571	176 628	194 290
Government - operating		42 886	59 505	46 158	32 358	32 358	32 358	32 358	35 944	37 849	40 795
Government - capital	1				22 698	22 698	22 698	22 698	27 758	18 971	25 952
Interest		2 219	1 333	1 726	1 428	1 428	1 428	1 428	532	558	586
Dividends									—		
Payments											
Suppliers and employees		(119 813)	(98 010)	(117 214)	(160 878)	(160 878)	(160 878)	(160 878)	(175 809)	(187 236)	(199 406)
Finance charges		(1 318)	(2 779)	(2 462)	(5 535)	(5 535)	(5 535)	(5 535)	(1 504)	(1 579)	(1 658)
Transfers and Grants	1								(2 034)		
NET CASH FROM/(USED) OPERATING ACTIVITIES											
		4 966	44 849	13 846	24 473	24 473	24 473	24 473	45 456	45 191	60 559
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			(36 404)	(1 331)					200	—	—
Decrease (increase) in non-current debtors		53	275		190	190	190	190			
Decrease (increase) other non-current receivables			(17)	10							
Decrease (increase) in non-current investments			6	(0)							
Payments											
Capital assets		(5 465)			(50 598)	29 954	29 954	29 954	(67 570)	(18 971)	(25 952)
NET CASH FROM/(USED) INVESTING ACTIVITIES											
		(5 412)	(36 139)	(1 321)	(50 408)	30 144	30 144	30 144	(67 370)	(18 971)	(25 952)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									—		
Borrowing long term/refinancing					27 900				27 000		
Increase (decrease) in consumer deposits			192	61	50				55	57	60
Payments											
Repayment of borrowing		(2 131)	(1 060)	(2 094)	(3 500)				(3 143)	(2 985)	(2 836)
NET CASH FROM/(USED) FINANCING ACTIVITIES											
		(2 131)	(868)	(2 032)	24 450	—	—	—	23 912	(2 928)	(2 776)
NET INCREASE/ (DECREASE) IN CASH HELD											
		(2 577)	7 842	10 493	(1 485)	54 617	54 617	54 617	1 998	23 292	31 831
Cash/cash equivalents at the year begin:	2	7 396	4 819	12 661	8 745	8 745	8 745	8 745	4 882	6 880	30 172
Cash/cash equivalents at the year end:	2	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003

### 1.13.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA.

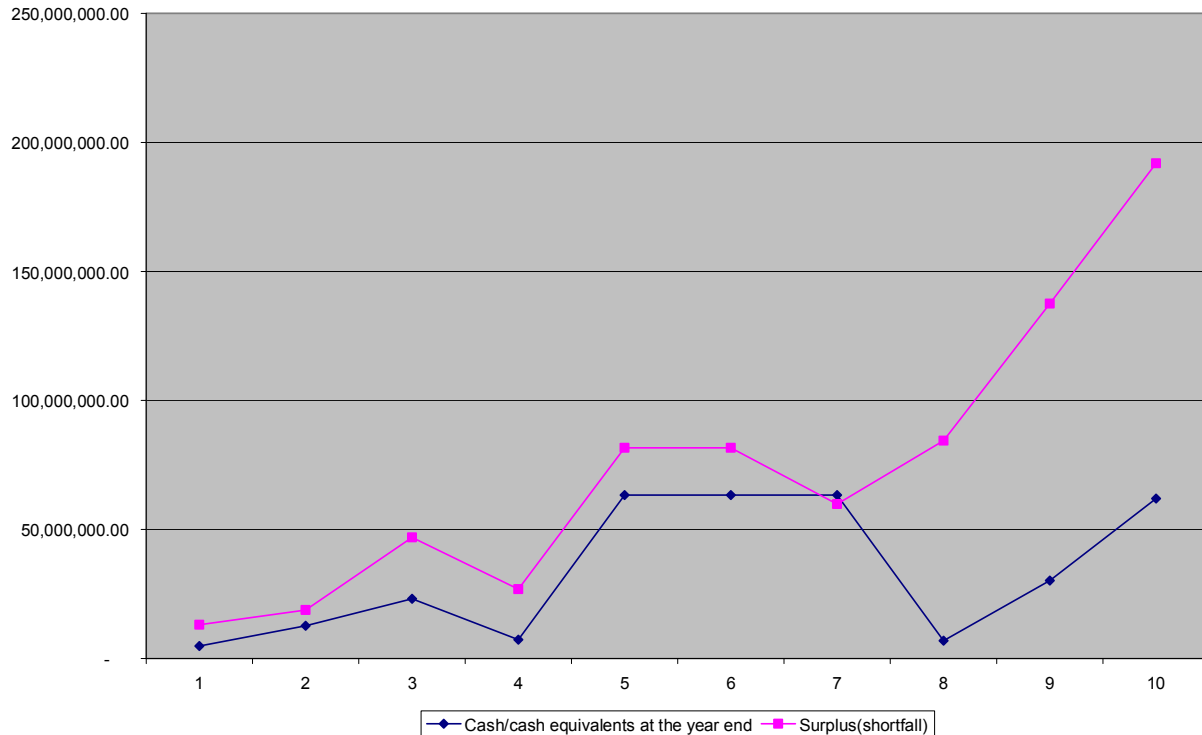
**Table 40 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available											
Cash/cash equivalents at the year end	1	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003
Other current investments > 90 days		0	(3 593)	(7 308)	(0)	(56 102)	(56 102)	(56 102)	1 760	(20 532)	(51 381)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		4 819	9 068	15 846	7 260	7 260	7 260	7 260	8 640	9 640	10 622
Application of cash and investments											
Unspent conditional transfers		7 951	4 567	–	–	–	–	–	5 600	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2								3 330		
Other working capital requirements	3	(11 392)	(1 592)	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(77 791)	(97 718)	(119 285)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(3 442)	2 975	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(68 861)	(97 718)	(119 285)
Surplus(shortfall)		8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	77 501	107 358	129 907

From the above table it can be seen that the cash and investments available total R 8.6 million in the 2012/13 financial year and progressively increase to R 9.6 million by 2013/14, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:



The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.



**Figure 6 Cash and cash equivalents / Cash backed reserves and accumulated funds**

**1.13.5 Funding compliance measurement**

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

**Table 41 MBRR SA10 – Funding compliance measurement****NC062 Nama Khoi Supporting Table SA10 Funding measurement**

Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Funding measures</b>	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	4,819	12,661	23,153	7,260	63,362	63,362	63,362	6,880	30,172	62,003
Cash + investments at the yr end less applications - R'000	18(1)b	2	8,261	6,093	23,736	19,614	18,243	18,243	(3,540)	77,501	107,358	129,907
Cash year end/monthly employee/supplier payments	18(1)b	3	0.7	1.4	2.7	0.7	5.7	5.7	-	0.6	2.4	4.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(25,473)	20,162	2,730	(12,837)	(13,157)	(13,157)	650	18,836	1,000	1,472
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.2%	8.2%	9.5%	(4.2%)	(6.0%)	(106.0%)	15.6%	(1.1%)	2.6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	100.3%	119.2%	124.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	(2.3%)	3.0%	1.5%	1.4%	1.4%	1.4%	0.0%	1.9%	1.9%	1.9%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	0.0%	0.0%	100.0%	(100.0%)	(100.0%)	0.0%	100.4%	81.7%	59.7%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	68.3%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	19.4%	3.6%	(18.3%)	0.0%	0.0%	0.0%	381.6%	2.9%	14.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(29.5%)	33.4%	(91.0%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	2.6%	2.6%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	108.0%	82.4%	0.0%	72.6%	39.1%	39.1%	0.0%	0.0%	0.0%	0.0%

**References**

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Supporting indicators	-	-	-	-	-	-	-	-	-	-	-	-
% incr <i>total service charges (incl prop rates)</i>	18(1)a			20.2%	14.2%	15.5%	1.8%	0.0%	(100.0%)	21.6%	4.9%	8.6%
% incr Property Tax	18(1)a			3.7%	10.1%	(0.8%)	(7.3%)	0.0%	(100.0%)	50.4%	1.9%	15.0%
% incr Service charges - electricity revenue	18(1)a			14.1%	17.3%	32.7%	(0.4%)	0.0%	(100.0%)	11.5%	6.0%	6.5%
% incr Service charges - water revenue	18(1)a			30.8%	13.3%	34.5%	(17.0%)	0.0%	(100.0%)	26.7%	5.9%	6.5%
% incr Service charges - sanitation revenue	18(1)a			23.2%	12.8%	(4.1%)	31.0%	0.0%	(100.0%)	(11.6%)	5.9%	6.0%
% incr Service charges - refuse revenue	18(1)a			1731.7%	16.3%	(78.0%)	542.6%	0.0%	(100.0%)	24.5%	5.9%	6.0%
% incr in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		61,538	73,992	84,120	97,095	98,523	98,523	–	120,056	125,991	136,864
Service charges			60,540	72,771	83,078	95,952	97,656	97,656	–	118,798	124,607	135,328
Property rates			19,731	20,458	22,517	22,326	20,693	20,693	–	31,130	31,715	36,472
Service charges - electricity revenue			26,288	30,000	35,192	46,700	46,529	46,529	–	51,867	54,979	58,553
Service charges - water revenue			10,386	13,588	15,392	20,703	17,193	17,193	–	21,789	23,074	24,574
Service charges - sanitation revenue			3,924	4,832	5,449	5,228	6,848	6,848	–	6,053	6,410	6,795
Service charges - refuse removal			212	3,892	4,528	995	6,393	6,393	–	7,959	8,429	8,935
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			998	1,221	1,041	1,143	867	867	–	1,258	1,384	1,536
Capital expenditure excluding capital grant funding			5,463	37,452	–	27,900	5,310	5,310	–	39,552	4,254	9,549
Cash receipts from ratepayers	18(1)a		80,992	84,800	85,638	134,401	134,401	134,401	134,401	160,571	176,628	194,290
Ratepayer & Other revenue	18(1)a		70,780	87,423	90,765	104,200	110,758	110,758	–	160,078	148,201	155,793
Change in consumer debtors (current and non-current)			3,817	3,300	915	(4,571)	(4,571)	(4,571)	(4,571)	68,988	2,518	12,954
Operating and Capital Grant Revenue	18(1)a		18,104	65,706	27,291	32,358	33,531	33,531	–	37,621	41,383	45,935
Capital expenditure - total	20(1)(vi)		5,463	37,452	–	50,598	29,954	29,954	–	67,310	23,225	43,501

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Capital expenditure - renewal	20(1)(vi)	5,900	30,864	22,279	36,715	11,715	11,715		-	-	-
<b><u>Supporting benchmarks</u></b>											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									-	-	-
Average annual collection rate (arrear inclusive)											
<b><u>DoRA operating</u></b>											
<i>Local Government Equitable Share</i>									32,468	35,199	38,095
Finance Management Grant									1,500	1,750	1,750
Municipal Systems Improvement Grant									800	900	950
									<b>34,768</b>	<b>37,849</b>	<b>40,795</b>
<b><u>DoRA capital</u></b>											
<i>Integrated National Electricity Program</i>									1,000	2,000	8,000
Municipal Infrastructure Grant									16,088	16,971	17,952
EPWP									10,000		
									<b>27,088</b>	<b>18,971</b>	<b>25,952</b>
<b><u>Trend</u></b>											
Change in consumer debtors (current and non-current)		3,817	3,300	915	(4,571)	68,988	2,518	12,954	-	-	-
<b><u>Total Operating Revenue</u></b>		90,191	153,683	118,779	137,048	144,972	144,972	-	198,184	190,118	202,321
<b><u>Total Operating Expenditure</u></b>		116,250	134,165	116,049	150,535	158,779	158,779	-	179,348	189,118	200,848
<b><u>Operating Performance Surplus/(Deficit)</u></b>		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	18,836	1,000	1,472

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<b>Cash and Cash Equivalents (30 June 2012)</b>										6,880		
<b>Revenue</b>												
% Increase in Total Operating Revenue				70.4%	(22.7%)	15.4%	5.8%	0.0%	(100.0%)	36.7%	(4.1%)	6.4%
% Increase in Property Rates Revenue				1.9%	9.8%	(0.9%)	(5.3%)	0.0%	(100.0%)	44.6%	6.0%	15.0%
% Increase in Electricity Revenue				14.1%	17.3%	32.7%	(0.4%)	0.0%	(100.0%)	11.5%	6.0%	6.5%
% Increase in Property Rates & Services Charges				20.2%	14.2%	15.5%	1.8%	0.0%	(100.0%)	21.6%	4.9%	8.6%
<b>Expenditure</b>												
% Increase in Total Operating Expenditure				15.4%	(13.5%)	29.7%	5.5%	0.0%	(100.0%)	13.0%	5.4%	6.2%
% Increase in Employee Costs				14.9%	8.4%	8.4%	16.1%	0.0%	(100.0%)	10.3%	7.0%	8.5%
% Increase in Electricity Bulk Purchases				40.5%	28.5%	27.5%	0.0%	0.0%	(100.0%)	13.5%	6.0%	6.5%
Average Cost Per Budgeted Employee Position (Remuneration)					2735293.6	164706.7368				197708.0872		
Average Cost Per Councillor (Remuneration)					218516	235156.8796				252224.4706		
R&M % of PPE		3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	0.0%		2.6%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE		5.0%	10.0%	12197.0%	11.0%	3.0%	3.0%	3.0%		3.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue		(2.3%)	3.0%	1.5%	1.4%	1.4%	1.4%	1.4%	0.0%	1.9%	1.9%	1.9%
<b>Capital Revenue</b>												
Internally Funded & Other (R'000)		–	–	–	–	–	–	–	–	12,552	4,254	9,549
Borrowing (R'000)		–	–	–	27,900	5,310	5,310	–	–	27,000	–	–
Grant Funding and Other (R'000)		–	–	–	22,698	24,644	24,644	–	–	27,758	18,971	33,952
Internally Generated funds % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	31.7%	100.0%	100.0%
Borrowing % of Non Grant Funding		0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%	68.3%	0.0%	0.0%
Grant Funding % of Total Funding		0.0%	0.0%	0.0%	44.9%	82.3%	82.3%	0.0%	0.0%	41.2%	81.7%	78.0%
<b>Capital Expenditure</b>												
Total Capital Programme (R'000)		–	–	–	50,598	29,954	29,954	–	–	67,310	14,225	27,901
Asset Renewal		5,900	30,864	22,279	36,715	11,715	11,715	11,715	–	–	–	–
Asset Renewal % of Total Capital Expenditure		0.0%	0.0%	0.0%	72.6%	39.1%	39.1%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other		114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	0.0%	100.3%	119.2%	124.7%
Cash Coverage Ratio		0	0	0	0	0	0	–	–	0	0	0
<b>Borrowing</b>												
Credit Rating (2009/10)										0		
Capital Charges to Operating		4.2%	2.9%	3.9%	6.0%	0.7%	0.7%	0.0%	0.0%	2.6%	2.4%	2.2%

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Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	68.3%	0.0%	0.0%
<b>Reserves</b>												
Surplus/(Deficit)			8,261	6,093	23,736	19,614	18,243	18,243	(3,540)	77,501	107,358	129,907
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share			1.9%	1.8%	1.4%	2.7%	0.0%	0.0%		24.4%	25.2%	25.9%
Free Services as a % of Operating Revenue (excl operational transfers)			1.7%	1.6%	1.5%	0.8%	0.7%	0.7%		6.2%	7.5%	7.9%
<b>High Level Outcome of Funding Compliance</b>												
Total Operating Revenue			90,191	153,683	118,779	137,048	144,972	144,972	–	198,184	190,118	202,321
Total Operating Expenditure			116,250	134,165	116,049	150,535	158,779	158,779	–	179,348	189,118	200,848
Surplus/(Deficit) Budgeted Operating Statement			(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	18,836	1,000	1,472
Surplus/(Deficit) Considering Reserves and Cash Backing			(17,798)	25,610	26,466	6,126	4,436	4,436	(3,540)	96,338	108,358	131,379
<b>MTREF Funded (1) / Unfunded (0)</b>	15	0	1	1	1	1	1	1	0	1	1	1
<b>MTREF Funded ✓ / Unfunded ✗</b>	15	✗	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓

References

15. Subject to figures provided in Schedule.

#### *1.13.5.1 Cash/cash equivalent position*

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2012/13 MTREF shows R 6.8 million, R 30.1 million and R 62 million for each respective financial year.

#### *1.13.5.2 Cash plus investments less application of funds*

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25, on page 25. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

#### *1.13.5.3 Monthly average payments covered by cash or cash equivalents*

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. 2012/13 MTREF the municipality's cash position shows a ratio of 0.6 then increase to 2.4 and 4.5 respectively for the outer years.

#### *1.13.5.4 Surplus/deficit excluding depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2012/13 MTREF the indicative outcome is a surplus of R 18.8 million, R 1 million and R 1.4 billion.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.



#### *1.13.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target*

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

From the table above it can be seen that the percentage growth totals 50.4, 1.9 and 15 per cent for the respective financial year of the 2012/13 MTREF. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 11.5 per cent, with the increase in electricity at 11.5 per cent it is to be expected that the increase in revenue will exceed the inflation target figures. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

#### *1.13.5.6 Cash receipts as a percentage of ratepayer and other revenue*

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyze the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 100, 119 and 125 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 95 per cent performance target, the cash flow statement has been conservatively determined.

#### *1.13.5.7 Debt impairment expense as a percentage of billable revenue*

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 1.9 per cent over the MTREF.

#### *1.13.5.8 Capital payments percentage of capital expenditure*

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position.

#### *1.13.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)*

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 68.3 for the 2012/13 financial year.

#### *1.13.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available*

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

**1.13.5.11 Consumer debtors change (Current and Non-current)**

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

**1.13.5.12 Repairs and maintenance expenditure level table 34c**

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

**1.13.5.13 Asset renewal/rehabilitation expenditure level**

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarize and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b on page 116.

**1.14 Expenditure on grants and reconciliations of unspent funds****Table 42 MBRR SA19 - Expenditure on transfers and grant programmes.****NC062 Nama Khoi - Supporting Table SA19 Expenditure on transfers and grant programme**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>EXPENDITURE:</b>	1									
<b><u>Operating expenditure of Transfers and Grants</u></b>										
<b>National Government:</b>		14,822	24,036	29,172	31,586	-	-	34,768	114,849	168,795
Local Government		13,438	21,765	27,222	28,625			32,468	35,199	38,095
Equitable Share		500	750	1,200	1,450			1,500	1,750	1,750
Finance										
Management Grant										
Municipal										
Systems Improvement		735	850	750	790			800	900	950
Grant										
DWAF:WSACDBP		149	671							

Integrated National Electricity Program				721				2,000	8,000
Other transfers/grants [insert description]									
Regional Bulk Infr Grant								75,000	120,000
<b>Provincial Government:</b>	<b>25,589</b>	<b>8,535</b>	<b>-</b>	<b>772</b>	<b>-</b>	<b>-</b>	<b>6,846</b>	<b>-</b>	<b>-</b>
Library	701	579		772			1,176		
Taxi Rank		826							
Sport Development	309								
Housing	24,580	7,129					5,670		
Other transfers/grants [insert description]									
<b>District Municipality:</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
DBSA		900							
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>-</b>
ACIP							4,000		
<b>Total operating expenditure of Transfers and Grants:</b>	<b>40,411</b>	<b>33,471</b>	<b>29,172</b>	<b>32,358</b>	<b>-</b>	<b>-</b>	<b>45,614</b>	<b>114,849</b>	<b>168,795</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>2,844</b>	<b>27,981</b>	<b>17,979</b>	<b>22,698</b>	<b>-</b>	<b>-</b>	<b>22,088</b>	<b>18,971</b>	<b>25,952</b>
Integrated National Electricity Program	2,000	20,130	9,979	9,435			1,000	2,000	8,000
Municipal Infrastructure Grant	844	7,851	8,000	13,263			16,088	16,971	17,952
Municipal Infrastructure Grant (MIG)							4,000		
EPWP PROGRAM INCENTIVES							1,000		
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other capital transfers/grants [insert description]									
<b>District Municipality:</b>	<b>63</b>	<b>1,839</b>	<b>4,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Various projects World Cup 2010 Equipment	63	1,638	4,850						
Other grant providers:									
DBSA			800				27,000		
Extern loan			800				27,000		

Total capital expenditure of Transfers and Grants		2,907	29,820	23,629	22,698	-	-	49,088	18,971	25,952
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>43,318</b>	<b>63,291</b>	<b>52,801</b>	<b>55,056</b>	<b>-</b>	<b>-</b>	<b>94,702</b>	<b>133,820</b>	<b>194,747</b>

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

**Table 43 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds**

NC062 Nama Khoi - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		14 822	24 036	29 172	31 586			35 944	37 849	40 795
Conditions met - transferred to revenue		14 822	24 036	29 172	31 586	-	-	35 944	37 849	40 795
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		25 589	8 535		772					
Conditions met - transferred to revenue		25 589	8 535	-	772	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	900							
Conditions met - transferred to revenue		-	900	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		40 411	33 471	29 172	32 358	-	-	35 944	37 849	40 795
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		2 844	27 981	17 979	22 698			16 088	16 971	17 952
Conditions met - transferred to revenue		2 844	27 981	17 979	22 698	-	-	16 088	16 971	17 952
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		63	1 839	4 850						
Conditions met - transferred to revenue		63	1 839	4 850	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts				800						
Conditions met - transferred to revenue		-	-	800	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		2 907	29 820	23 629	22 698	-	-	16 088	16 971	17 952
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		43 318	63 291	52 801	55 056	-	-	52 032	54 820	58 747
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

## 1.15 Councilor and employee benefits

**Table 44 MBRR SA22 - Summary of councilor and staff benefits**

**NC062 Nama Khoi - Supporting Table SA22 Summary councillor and staff benefits**

Summary of Employee and Councillor remuneration R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Councillors (Political Office Bearers plus Other)</b>	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		2,139	2,196	2,523	2,576	2,576	2,576	2,898	3,086	3,287
Pension and UIF Contributions		328	330	378	369	369	369	173	184	196
Medical Aid Contributions				–	–	–	–	–	–	–
Motor Vehicle Allowance		689	843	–	944	944	944	1,003	1,068	1,138
Cellphone Allowance		154	194	967	216	216	216	214	228	243
Housing Allowances				222		–	–		–	–
Other benefits and allowances						–	–		–	–
<b>Sub Total - Councillors</b>		<b>3,311</b>	<b>3,564</b>	<b>4,091</b>	<b>4,106</b>	<b>4,106</b>	<b>4,106</b>	<b>4,288</b>	<b>4,567</b>	<b>4,863</b>
<b>% increase</b>	4		<b>7.6%</b>	<b>14.8%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>4.4%</b>	<b>6.5%</b>	<b>6.5%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		1,467	2,147	1,703	1,807	1,807	1,807	3,473	3,716	4,032
Pension and UIF Contributions		458	516	283	300	300	300	298	319	346
Medical Aid Contributions			–	147	156	156	156	66	71	77
Overtime		834	1,167	802	851	851	851		–	–
Performance Bonus			–	–	–	–	–		–	–
Motor Vehicle Allowance	3	48	235	59	63	63	63		–	–
Cellphone Allowance	3	121	156	–	–	–	–		–	–
Housing Allowances	3			9	9	9	9		–	–
Other benefits and allowances	3					–	–	831	889	965
Payments in						–	–		–	–

lieu of leave									
Long service awards					-	-		-	-
Post-retirement benefit obligations					-	-		-	-
<b>Sub Total - Senior Managers of Municipality</b>	6								
		2,928	4,221	3,003	3,186	3,186	4,668	4,995	5,420
<b>% increase</b>	4		44.2%	(28.8%)	6.1%	-	-	46.5%	7.0%
<b>Other Municipal Staff</b>									
Basic Salaries and Wages		23,177	22,497	26,773	28,401	28,401	28,401	33,631	35,986
Pension and UIF Contributions		4,666	4,007	4,341	4,604	4,604	4,604	6,892	7,374
Medical Aid Contributions			601	649	689	689	689	1,139	1,218
Overtime		2,455	2,123	2,114	2,242	2,242	2,242	1,851	1,981
Performance Bonus			-	-	-	-	-	-	-
Motor Vehicle Allowance	3	378	190	59	63	63	63	-	-
Cellphone Allowance	3	1,252	1,252	-	-	-	-	-	-
Housing Allowances	3	1,794	1,759	-	-	-	-	317	339
Other benefits and allowances	3			3,983	4,225	4,225	4,225	7,321	7,834
Payments in lieu of leave					-	-	-	332	355
Long service awards					-	-	-	-	-
Post-retirement benefit obligations	6							788	844
<b>Sub Total - Other Municipal Staff</b>		33,723	32,430	37,919	40,224	40,224	40,224	52,271	55,931
<b>% increase</b>	4		(3.8%)	16.9%	6.1%	-	-	30.0%	7.0%
<b>Total Parent Municipality</b>		39,961	40,214	45,013	47,516	47,516	47,516	61,228	65,492
<b>Board Members of Entities</b>			0.6%	11.9%	5.6%	-	-	28.9%	7.0%
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance									

Bonus									
Motor Vehicle Allowance	3								
Cellphone Allowance	3								
Housing Allowances	3								
Other benefits and allowances	3								
Board Fees									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations	6								
<b>Sub Total - Board Members of Entities</b>									
% increase	4	-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>									
Basic Salaries and Wages									
Pension and UIF									
Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance	3								
Cellphone Allowance	3								
Housing Allowances	3								
Other benefits and allowances	3								
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations	6								
<b>Sub Total - Senior Managers of Entities</b>									
% increase	4	-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>									
Basic Salaries and Wages									
Pension and UIF									



Contributions										
Medical Aid										
Contributions										
Overtime										
Performance										
Bonus										
Motor Vehicle										
Allowance	3									
Cellphone										
Allowance	3									
Housing										
Allowances	3									
Other										
benefits and										
allowances	3									
Payments in										
lieu of leave										
Long service										
awards										
Post-										
retirement										
benefit										
obligations	6									
<b>Sub Total -</b>										
<b>Other Staff of</b>										
<b>Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4		-	-	-	-	-	-	-	-
<b>Total Municipal</b>										
<b>Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL</b>										
<b>SALARY,</b>										
<b>ALLOWANCES</b>										
<b>&amp; BENEFITS</b>		39,961	40,214	45,013	47,516	47,516	47,516	61,228	65,492	70,968
<b>% increase</b>	4		0.6%	11.9%	5.6%	-	-	28.9%	7.0%	8.4%
<b>TOTAL</b>										
<b>MANAGERS</b>										
<b>AND STAFF</b>	5	36,651	36,651	40,922	43,410	43,410	43,410	56,940	60,926	66,104

**Table 45 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**

**NC062 Nama Khoi - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<b>Councillors</b>	3							
Speaker	4		323,911	48,587	141,219			513,717
Chief Whip								-
Executive Mayor								-
Deputy Executive Mayor								-
Executive Committee								-

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**Table 46 MBRR SA24 – Summary of personnel numbers**

Summary of Personnel Numbers		2010/11			Current Year 2011/12			Budget Year 2012/13		
Number	Ref	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		17		17	17		17	17		17
Board Members of municipal entities	4									
<b>Municipal employees</b>										
Municipal Manager and Senior Managers	3							8	5	3
Other Managers	7	5	4	1	5	4	1	15	13	
Professionals		–	7	–	21	17	1	21	17	1
Finance			1		2	2		2	2	
Spatial/town planning					6	4		6	4	
Information Technology					2	1		2	1	
Roads										
Electricity					6	5	1	6	5	1
Water										
Sanitation					1	1		1	1	
Refuse					1	1		1	1	
Other			6		3	3		3	3	
Technicians		–	3	–	11	8	1	11	8	1
Finance										
Spatial/town planning										
Information Technology										
Roads			1		1			1		
Electricity			2		7	5	1	7	5	1
Water					1	1		1	1	
Sanitation					1	1		1	1	
Refuse					1	1		1	1	
Other										
Clerks (Clerical and administrative)					27	22		27	22	
Service and sales workers					36	33		36	33	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators					45	39		45	39	
Elementary Occupations					125	125		125	125	
<b>TOTAL PERSONNEL NUMBERS</b>		<b>22</b>	<b>14</b>	<b>18</b>	<b>287</b>	<b>248</b>	<b>20</b>	<b>305</b>	<b>262</b>	<b>22</b>
<b>% increase</b>					1 204.5%	1 671.4%	11.1%	6.3%	5.6%	10.0%
<b>Total municipal employees headcount</b>	6	<b>314</b>	<b>308</b>	<b>6</b>	<b>314</b>	<b>308</b>	<b>6</b>	<b>305</b>	<b>262</b>	<b>22</b>
Finance personnel headcount	8	<b>35</b>	<b>35</b>		<b>35</b>	<b>35</b>		<b>43</b>	<b>41</b>	<b>2</b>
Human Resources personnel headcount	8	<b>3</b>	<b>3</b>		<b>3</b>	<b>3</b>		<b>4</b>	<b>4</b>	

**1.16 Monthly targets for revenue, expenditure and cash flow**

**Table 47 MBRR SA25 - Budgeted monthly revenue and expenditure**

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue By Source																
Property rates		28 543	(282)	(23)	187	187	187	187	187	187	187	187	187	29 919	31 715	36 472
Property rates - penalties & collection charges		101		112	111	111	111	111	111	111	111	111	111	1 211	-	-
Service charges - electricity revenue		3 986	4 343	4 282	4 362	4 362	4 362	4 362	4 362	4 362	4 362	4 362	4 362	51 867	54 979	58 553
Service charges - water revenue		1 675	1 825	1 799	1 832	1 832	1 832	1 832	1 832	1 832	1 832	1 832	1 832	21 789	23 074	24 574
Service charges - sanitation revenue		465	507	500	509	509	509	509	509	509	509	509	509	6 053	6 410	6 795
Service charges - refuse revenue		612	666	657	669	669	669	669	669	669	669	669	669	7 959	8 429	8 935
Service charges - other					-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		156	102	112	99	99	99	99	99	99	99	99	99	1 258	1 384	1 536
Interest earned - external investments		-		59	47	47	47	47	47	47	47	47	47	485	534	592
Interest earned - outstanding debtors		91	91	87	106	106	106	106	106	106	106	106	106	1 224	1 347	1 495
Dividends received					-	-	-	-	-	-	-	-	-	-	-	-
Fines		2	188	18	24	24	24	24	24	24	24	24	24	424	466	518
Licences and permits		168	87	93	101	101	101	101	101	101	101	101	101	1 254	1 379	1 531
Agency services		121	96	118	97	97	97	97	97	97	97	97	97	1 206	1 326	1 472
Transfers recognised - operational		13 957					10 517			13 147			-	37 621	41 383	45 935
Other revenue		346	1 193	700	3 742	3 742	3 742	3 742	3 742	3 742	3 742	3 742	3 742	35 914	17 692	13 913
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contributions)		50 222	8 817	8 513	11 885	11 885	22 403	11 885	11 885	25 032	11 885	11 885	11 885	198 184	190 118	202 321
Expenditure By Type																
Employee related costs		4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	56 940	60 926	66 104
Remuneration of councillors		357	357	357	357	357	357	357	357	357	357	357	357	4 288	4 567	4 863
Debt impairment		187	187	187	187	187	187	187	187	187	187	187	187	2 245	2 391	2 547
Depreciation & asset impairment		592	592	592	592	592	592	592	592	592	592	592	592	7 103	7 529	8 019
Finance charges		125	125	125	125	125	125	125	125	125	125	125	125	1 504	1 584	1 661
Bulk purchases		6 952	7 314	6 467	5 442	4 875	5 263	5 115	4 754	4 776	5 045	5 057	5 741	66 803	70 812	75 414
Other materials		1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	13 591	14 475	15 416
Contracted services		10	10	10	10	10	10	10	10	10	10	10	10	124	132	140
Transfers and grants														-	-	-
Other expenditure		2 255	2 236	2 458	2 927	1 739	2 014	2 269	1 822	2 604	3 106	1 479	1 840	26 748	26 703	26 683
Loss on disposal of PPE													-	-	-	-
Total Expenditure		16 357	16 699	16 075	15 519	13 764	14 427	14 534	13 726	14 530	15 301	13 686	14 730	179 348	189 118	200 848
Surplus/(Deficit)		33 866	(7 883)	(7 562)	(3 634)	(1 878)	7 976	(2 649)	(1 841)	10 502	(3 416)	(1 801)	(2 845)	18 836	1 000	1 472
Transfers recognised - capital													-	-	-	-
Contributions recognised - capital													-	-	-	-
Contributed assets													-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		33 866	(7 883)	(7 562)	(3 634)	(1 878)	7 976	(2 649)	(1 841)	10 502	(3 416)	(1 801)	(2 845)	18 836	1 000	1 472
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	33 866	(7 883)	(7 562)	(3 634)	(1 878)	7 976	(2 649)	(1 841)	10 502	(3 416)	(1 801)	(2 845)	18 836	1 000	1 472

**Table 48 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)**

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue by Vote																
Vote 1 - Municipal Manager		18	18	18	18	15	15	21	18	21	18	18	18	217	230	245
Vote 2 - Financial Services		42 692	763	763	763	763	10 968	763	763	13 598	703	823	19 563	92 924	98 499	104 902
Vote 3 - Corporate Services		116	116	116	116	116	116	116	116	116	116	116	116	1 390	1 460	1 547
Vote 4 - Community Services: Community Development		901	901	901	901	901	901	901	901	901	901	901	901	10 816	11 357	12 038
Vote 5 - Community Services: Public Safety		217	217	217	217	217	217	217	217	217	217	217	217	2 604	2 734	2 871
Vote 6 - Electrical Engineering Services		5 053	5 053	4 453	4 753	4 453	4 753	4 753	4 753	4 453	4 753	4 753	5 053	57 042	60 464	64 395
Vote 7 - Infrastructure, Engineering & Technical Services		2 766	2 766	2 766	2 466	2 766	3 066	3 066	2 766	2 466	2 766	2 766	2 766	33 192	35 302	37 547
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		51 764	9 835	9 235	9 235	9 232	20 037	9 838	9 535	21 772	9 475	9 595	28 635	198 184	210 046	223 544
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Manager		1 237	1 316	1 321	1 239	1 230	1 304	1 230	1 295	1 307	1 230	1 264	1 533	15 504	16 279	17 255
Vote 2 - Financial Services		2 261	2 441	2 301	2 481	2 241	2 461	2 261	2 481	3 168	3 168	2 241	2 241	29 746	31 233	33 107
Vote 3 - Corporate Services		862	858	928	851	846	906	822	831	944	792	809	890	10 338	10 855	11 506
Vote 4 - Community Services: Community Development		1 059	1 120	1 181	1 089	1 202	1 186	1 101	1 079	1 069	1 125	1 044	1 044	13 297	13 962	14 757
Vote 5 - Community Services: Public Safety		461	453	438	438	438	438	461	453	438	438	438	438	5 330	5 596	5 932
Vote 6 - Electrical Engineering Services		6 681	6 283	5 186	4 871	3 594	3 567	4 094	3 473	3 495	4 774	4 075	4 759	54 851	58 142	61 921
Vote 7 - Infrastructure, Engineering & Technical Services		3 796	4 230	4 721	4 551	4 214	4 565	4 566	4 115	4 111	3 776	3 816	3 826	50 282	53 051	56 369
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		16 357	16 699	16 075	15 519	13 764	14 427	14 534	13 726	14 530	15 301	13 686	14 730	179 348	189 118	200 849
Surplus/(Deficit) before assoc.		35 407	(6 865)	(6 840)	(6 285)	(4 532)	5 610	(4 696)	(4 191)	7 243	(5 827)	(4 091)	13 904	18 836	20 928	22 695
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	35 407	(6 865)	(6 840)	(6 285)	(4 532)	5 610	(4 696)	(4 191)	7 243	(5 827)	(4 091)	13 904	18 836	20 928	22 695

**Table 49 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)**



Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue - Standard</b>																
<b>Governance and administration</b>		42 826	897	897	897	894	11 099	900	897	13 735	837	957	19 697	94 531	100 189	106 694
Executive and council		18	18	18	18	15	15	21	18	21	18	18	18	217	230	245
Budget and treasury office		42 692	763	763	763	763	10 968	763	763	13 598	703	823	19 563	92 924	98 499	104 902
Corporate services		116	116	116	116	116	116	116	116	116	116	116	116	1 390	1 460	1 547
<b>Community and public safety</b>		414	414	414	414	414	414	414	414	414	414	414	414	4 968	5 216	5 502
Community and social services		180	180	180	180	180	180	180	180	180	180	180	180	2 161	2 269	2 405
Sport and recreation		17	17	17	17	17	17	17	17	17	17	17	17	203	213	226
Public safety		217	217	217	217	217	217	217	217	217	217	217	217	2 604	2 734	2 871
Housing														-	-	-
Health														-	-	-
<b>Economic and environmental services</b>		3	3	3	3	3	3	3	3	3	3	3	3	31	33	35
Planning and development														-	-	-
Road transport		3	3	3	3	3	3	3	3	3	3	3	3	31	33	35
Environmental protection														-	-	-
<b>Trading services</b>		8 480	8 480	7 880	7 880	7 880	8 480	8 480	8 180	7 580	8 180	8 180	8 480	98 162	104 091	110 765
Electricity		5 053	5 053	4 453	4 753	4 453	4 753	4 753	4 753	4 453	4 753	4 753	5 053	57 042	60 464	64 395
Water		1 981	1 981	1 981	1 681	1 981	2 281	2 281	1 981	1 681	1 981	1 981	1 981	23 775	25 320	26 966
Waste water management		782	782	782	782	782	782	782	782	782	782	782	782	9 385	9 949	10 546
Waste management		663	663	663	663	663	663	663	663	663	663	663	663	7 959	8 357	8 859
<b>Other</b>		41	41	41	41	41	41	41	41	41	41	41	41	492	517	548
<b>Total Revenue - Standard</b>		51 764	9 835	9 235	9 235	9 232	20 037	9 838	9 535	21 772	9 475	9 595	28 635	198 184	210 046	223 544
<b>Expenditure - Standard</b>																
<b>Governance and administration</b>		4 360	4 614	4 550	4 571	4 317	4 671	4 312	4 607	5 418	5 189	4 314	4 664	55 587	58 367	61 869
Executive and council		1 237	1 316	1 321	1 239	1 230	1 304	1 230	1 295	1 307	1 230	1 264	1 533	15 504	16 279	17 255
Budget and treasury office		2 261	2 441	2 301	2 481	2 241	2 461	2 261	2 481	3 168	3 168	2 241	2 241	29 746	31 233	33 107
Corporate services		862	858	928	851	846	906	822	831	944	792	809	890	10 338	10 855	11 506
<b>Community and public safety</b>		837	835	818	844	839	838	879	849	826	799	799	799	9 963	10 461	11 088
Community and social services		278	284	282	308	303	302	320	298	290	263	263	263	3 455	3 628	3 845
Sport and recreation		98	98	98	98	98	98	98	98	98	98	98	98	1 178	1 237	1 311
Public safety		461	453	438	438	438	438	461	453	438	438	438	438	5 330	5 596	5 932
Housing														-	-	-
Health														-	-	-
<b>Economic and environmental services</b>		1 213	1 343	1 403	1 373	1 339	1 263	1 238	1 257	1 243	1 218	1 243	1 243	15 376	16 144	17 113
Planning and development														-	-	-
Road transport		1 213	1 343	1 403	1 373	1 339	1 263	1 238	1 257	1 243	1 218	1 243	1 243	15 376	16 144	17 113
Environmental protection														-	-	-
<b>Trading services</b>		9 929	9 890	9 287	8 714	7 252	7 637	8 087	6 995	7 028	8 078	7 313	8 005	98 216	103 930	110 548
Electricity		6 681	6 283	5 186	4 871	3 594	3 567	4 094	3 473	3 495	4 774	4 075	4 759	54 851	58 142	61 921
Water		1 813	2 013	2 488	2 388	2 088	2 512	2 528	2 098	2 108	1 798	1 813	1 823	25 466	26 994	28 749
Waste water management		770	874	830	790	787	790	800	760	760	760	760	760	9 441	9 913	10 464
Waste management		665	720	783	665	783	769	665	665	665	746	665	663	8 458	8 881	9 414
<b>Other</b>		17	17	17	17	17	17	17	17	17	17	17	17	206	217	230
<b>Total Expenditure - Standard</b>		16 357	16 699	16 075	15 519	13 764	14 427	14 534	13 726	14 532	15 301	13 686	14 728	179 348	189 118	200 848
<b>Surplus/(Deficit) before assoc.</b>		35 407	(6 865)	(6 840)	(6 285)	(4 532)	5 610	(4 696)	(4 191)	7 240	(5 827)	(4 091)	13 907	18 836	20 927	22 695
Share of surplus/ (deficit) of associate														-	-	-
<b>Surplus/(Deficit)</b>	1	35 407	(6 865)	(6 840)	(6 285)	(4 532)	5 610	(4 696)	(4 191)	7 240	(5 827)	(4 091)	13 907	18 836	20 927	22 695

**Table 50 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 1 - Municipal Manager		360	340	55	300	1 200	100	1 200		20		45	2 970	6 590	-	-
Vote 2 - Financial Services													-	-	-	-
Vote 3 - Corporate Services				460	460	460	460	460	460				-	2 760	265	195
Vote 4 - Community Services: Community Development				1 300	1 300	1 300	1 300	1 000	1 000	1 000			-	8 200	2 650	1 050
Vote 5 - Community Services: Public Safety													-	-	-	-
Vote 6 - Electrical Engineering Services		2 000	3 550	4 700	4 150	3 050	2 450	1 540	2 800	2 000	1 000	2 000	1 000	30 240	1 500	8 000
Vote 7 - Infrastructure, Engineering & Technical Services		400	1 900	1 920	3 100	3 600	2 600	1 100	800	2 000	1 300	800	-	19 520	18 810	34 256
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	2 760	5 790	8 435	9 310	9 610	6 910	5 300	5 060	5 020	2 300	2 845	3 970	67 310	23 225	43 501
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Municipal Manager													-	-	-	-
Vote 2 - Financial Services													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Community Services: Community Development													-	-	-	-
Vote 5 - Community Services: Public Safety													-	-	-	-
Vote 6 - Electrical Engineering Services													-	-	-	-
Vote 7 - Infrastructure, Engineering & Technical Services													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	2	2 760	5 790	8 435	9 310	9 610	6 910	5 300	5 060	5 020	2 300	2 845	3 970	67 310	23 225	43 501

**Table 51 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Capital Expenditure - Standard</b>	1															
<b>Governance and administration</b>		360	340	515	760	1 660	560	1 660	460	20	-	45	2 970	9 350	265	195
Executive and council		360	340	55	300	1 200	100	1 200		20		45	2 970	6 590	-	-
Budget and treasury office													-	-	-	-
Corporate services				460	460	460	460	460	460				-	2 760	265	195
<b>Community and public safety</b>		-	-	1 300	1 300	1 300	1 300	1 000	1 000	-	-	-	-	7 200	2 650	1 050
Community and social services				300	300	300	300						-	1 200	-	-
Sport and recreation				1 000	1 000	1 000	1 000	1 000	1 000				-	6 000	2 650	1 050
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<b>Economic and environmental services</b>		-	1 000	400	1 500	2 200	1 200	900	800	1 000	1 300	800	-	11 100	-	-
Planning and development													-	-	-	-
Road transport			1 000	400	1 500	2 200	1 200	900	800	1 000	1 300	800	-	11 100	-	-
Environmental protection													-	-	-	-
<b>Trading services</b>		2 400	4 450	6 220	5 750	4 450	3 850	1 740	2 800	3 000	2 000	2 000	1 000	39 660	11 310	26 656
Electricity		2 000	3 550	4 700	4 150	3 050	2 450	1 540	2 800	2 000	1 000	2 000	1 000	30 240	1 500	8 000
Water				120									-	120	1 510	1 056
Waste water management		400	900	1 400	1 600	1 400	1 400	200		1 000			-	8 300	8 300	17 600
Waste management											1 000		-	1 000	-	-
<b>Other</b>													-	-	-	-
<b>Total Capital Expenditure - Standard</b>	2	2 760	5 790	8 435	9 310	9 610	6 910	5 300	5 060	4 020	3 300	2 845	3 970	67 310	14 225	27 901

**Table 52 MBRR SA30 - Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source														1		
Property rates	26 062	263	21	174	174	174	174	174	174	174	174	174	174	27 913	29 588	31 511
Property rates - penalties & collection charges	101	—	112	111	111	111	111	111	111	111	111	111	111	1 211	1 283	1 367
Service charges - electricity revenue	3 923	4 274	4 213	4 292	4 292	4 292	4 292	4 292	4 292	4 292	4 292	4 292	4 292	51 037	54 100	57 616
Service charges - water revenue	1 468	1 599	1 577	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	19 100	20 246	21 562
Service charges - sanitation revenue	433	472	465	474	474	474	474	474	474	474	474	474	474	5 631	5 969	6 357
Service charges - refuse revenue	593	646	637	649	649	649	649	649	649	649	649	649	649	7 714	8 176	8 708
Service charges - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment	156	102	112	99	99	99	99	99	99	99	99	99	99	1 258	1 334	1 421
Interest earned - external investments	—	—	65	52	52	52	52	52	52	52	52	52	52	532	564	600
Interest earned - outstanding debtors	91	91	87	106	106	106	106	106	106	106	106	106	106	1 224	1 298	1 382
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines	2	188	18	24	24	24	24	24	24	24	24	24	24	424	449	479
Licences and permits	168	87	93	101	101	101	101	101	101	101	101	101	101	1 254	1 329	1 416
Agency services	121	96	118	97	97	97	97	97	97	97	97	97	97	1 206	1 278	1 361
Transfer receipts - operational	13 957	—	—	—	—	10 517	—	—	13 147	—	—	—	—	37 621	39 878	42 470
Other revenue	394	1 359	797	4 263	4 263	4 263	4 263	4 263	4 263	4 263	4 263	4 263	4 263	40 922	51 543	67 422
Cash Receipts by Source	47 467	9 177	8 315	12 047	12 047	22 564	12 047	12 047	25 194	12 047	12 047	12 047	12 047	197 046	217 035	243 671
Other Cash Flows by Source																
Transfer receipts - capital	—	—	—	—	—	—	—	—	—	—	—	—	27 758	27 758	16 971	17 952
Contributions recognised - capital & Contributed assets	—	—	—	—	—	—	—	—	—	—	—	—	200	200	—	—
Proceeds on disposal of PPE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Short term loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (Increase) in non-current debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) other non-current receivables	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Receipts by Source	47 467	9 177	8 315	12 047	12 047	22 564	12 047	12 047	25 194	12 047	12 047	12 047	40 005	225 004	234 006	261 623
Cash Payments by Type																
Employee related costs	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	56 940	60 356	64 279
Remuneration of councillors	357	357	357	357	357	357	357	357	357	357	357	357	357	4 288	4 545	4 841
Finance charges	187	187	187	187	187	187	187	187	187	187	187	187	187	2 245	2 380	2 535
Bulk purchases - Electricity	592	592	592	592	592	592	592	592	592	592	592	592	592	7 103	7 529	8 019
Bulk purchases - Water & Sewer	125	125	125	125	125	125	125	125	125	125	125	125	125	1 504	1 594	1 698
Other materials	6 952	7 314	6 467	5 442	4 875	5 263	5 115	4 754	4 776	5 045	5 057	5 741	5 741	66 803	70 812	75 414
Contracted services	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	13 591	14 407	15 343
Transfers and grants - other municipalities	10	10	10	10	10	10	10	10	10	10	10	10	10	124	132	140
Transfers and grants - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure	2 255	2 236	2 458	2 927	1 739	2 014	2 269	1 822	2 604	3 106	1 479	1 840	1 840	26 748	27 059	28 794
Cash Payments by Type	16 357	16 699	16 075	15 519	13 764	14 427	14 534	13 726	14 530	15 301	13 686	14 730	14 730	179 348	188 815	201 064
Other Cash Flows/Payments by Type																
Capital assets	2 760	5 790	8 435	9 310	9 610	6 910	5 300	5 060	4 020	3 300	2 845	4 230	4 230	67 570	18 971	25 952
Repayment of borrowing	262	262	262	262	262	262	262	262	262	262	262	262	262	3 143	2 985	2 836
Other Cash Flow s/Payments	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(27 055)	(57)	(60)
Total Cash Payments by Type	17 124	20 497	22 517	22 837	21 381	19 344	17 841	16 793	16 557	16 609	14 538	16 968	16 968	223 006	210 714	229 792
NET INCREASE/(DECREASE) IN CASH HELD	30 343	(11 320)	(14 203)	(10 790)	(9 334)	3 220	(5 794)	(4 746)	8 637	(4 562)	(2 491)	23 038	1 998	23 292	31 831	
Cash/cash equivalents at the monthly/year begin:	4 882	35 225	23 905	9 703	(1 087)	(10 421)	(7 201)	(12 995)	(17 741)	(9 105)	(13 667)	(16 158)	4 882	6 880	30 772	
Cash/cash equivalents at the monthly/year end:	35 225	23 905	9 703	(1 087)	(10 421)	(7 201)	(12 995)	(17 741)	(9 105)	(13 667)	(16 158)	6 880	6 880	30 172	62 000	

### **1.17 Annual budgets and SDBIPs – internal departments**

The Service Delivery Budget and Implementation Plan will be approved by Council on the 28 June 2012.

### **1.18 Contracts having future budgetary implications**

No contracts are awarded beyond the medium-term revenue and expenditure framework (three years)

### **1.19 Capital expenditure details**

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

**Table 53 MBRR SA 34a - Capital expenditure on new assets by asset class**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		3 524	30 862	–	11 883	10 033	10 032	46 090	20 310	42 256
Infrastructure - Road transport		392	785	–	6 017	1 744	1 744	8 300	9 000	15 600
Roads, Pavements & Bridges		392	785	–	–	–	–	1 000	8 000	15 600
Storm water					6 017	1 744	1 744	7 300	1 000	
Infrastructure - Electricity		289	23 208	–	5 866	3 514	3 514	29 190	1 500	8 000
Generation					5 866					
Transmission & Reticulation		289	23 208			3 514	3 514	29 190		8 000
Street Lighting									1 500	
Infrastructure - Water		2 766	5 418	–	–	–	–	–	980	–
Dams & Reservoirs			5 418							
Water purification									980	
Reticulation		2 766						–		
Infrastructure - Sanitation		76	–	–	–	4 775	4 775	6 300	8 300	17 600
Reticulation						4 775	4 775	2 300	8 300	17 600
Sewerage purification		76						4 000		
Infrastructure - Other		–	1 451	–	–	–	–	2 300	530	1 056
Waste Management			1 451							
Transportation	2									
Gas										
Other	3							2 300	530	1 056
Community		–	1 222	–	–	4 556	4 556	7 200	2 650	1 050
Parks & gardens										
Sportsfields & stadia						4 156	4 156	4 800	2 650	1 050
Swimming pools			192							
Community halls										
Libraries			1 030					1 200		
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries						400	400	1 200		
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	5 670	–	–
Housing development								5 670		
Other										
Other assets		1 939	5 368	–	2 000	–	–	7 930	265	195
General vehicles	10	96	3 486					950		
Specialised vehicles		–	–	–	–	–	–	1 000	–	–
Plant & equipment		11						3 020		
Computers - hardware/equipment		113	120							
Furniture and other office equipment		1 297	1 737					660	265	195
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		423	25		2 000			1 800		
Other Land										
Surplus Assets - (Investment or Inventory)										
Other								500		
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	420	–	–
Computers - software & programming								420		
Other (list sub-class)										
Total Capital Expenditure on new assets	1	5 463	37 452	–	13 883	14 589	14 588	67 310	23 225	43 501
Specialised vehicles		–	–	–	–	–	–	1 000	–	–
Refuse								1 000		
Fire										
Conservancy										
Ambulances										



**Table 54 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		5 900	28 326	18 979	9 435	-	-	-	-	-
Infrastructure - Road transport		700	2 195	4 000	-	-	-	-	-	-
Roads, Pavements & Bridges		700								
Storm water			2 195	4 000						
Infrastructure - Electricity		-	20 131	8 000	9 435	-	-	-	-	-
Generation										
Transmission & Reticulation			20 131	8 000	9 435					
Street Lighting										
Infrastructure - Water		5 200	5 707	6 979	-	-	-	-	-	-
Dams & Reservoirs		2 700								
Water purification										
Reticulation		2 500	5 707	6 979						
Infrastructure - Sanitation		-	293	-	-	-	-	-	-	-
Reticulation			293							
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		-	2 538	3 300	26 380	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia			2 000	3 300	1 380					
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics			88							
Museums & Art Galleries										
Cemeteries			450							
Social rental housing	8									
Other					25 000					
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	-	900	-	-	-	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment					900					
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing	1	5 900	30 864	22 279	36 715	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
Renewal of Existing Assets as % of total capex		51.9%	45.2%	100.0%	72.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		52.6%	242.9%	1766.3%	414.7%	0.0%	0.0%	0.0%	0.0%	0.0%

**Table 55 MBRR SA34c - Repairs and maintenance expenditure by asset class**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		5 786	3 390	–	3 450	–	–	11 280	–	–
Infrastructure - Road transport		1 502	674	–	500	–	–	2 000	–	–
Roads, Pavements & Bridges		1 502	674		500			2 000		
Storm water										
Infrastructure - Electricity		2 008	1 003	–	803	–	–	–	–	–
Generation		2 009	1 003							
Transmission & Reticulation		(1)	–		803					
Street Lighting					–					
Infrastructure - Water		1 328	747	–	1 408	–	–	2 850	–	–
Dams & Reservoirs										
Water purification										
Reticulation		1 328	747		1 408			2 850		
Infrastructure - Sanitation		948	966	–	739	–	–	2 000	–	–
Reticulation		948	966		739			2 000		
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	4 430	–	–
Waste Management								3 700		
Transportation	2									
Gas										
Other	3							730		
Community		42	1	–	–	–	–	–	–	–
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other		42	1							
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		4 842	3 645	–	5 598	–	–	–	–	–
General vehicles		459	248		508					
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment		1 729	1 228		2 457					
Computers - hardware/equipment		–	44		–					
Furniture and other office equipment		714	1 005		1 246					
Abattoirs										
Markets										
Civic Land and Buildings		1 940	1 120		1 387					
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	10 669	7 037	–	9 048	–	–	11 280	–	–
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	2.6%	0.0%	0.0%
R&M as % Operating Expenditure		9.2%	5.2%	0.0%	6.0%	0.0%	0.0%	6.3%	0.0%	0.0%

**Table 56 MBRR SA35 - Future financial implications of the capital budget**

Vote Description R thousand	Ref	2012/13 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Present value
<b>Capital expenditure</b>	1							
Vote 1 - Municipal Manager		6 590	-	-				
Vote 2 - Financial Services		-	-	-				
Vote 3 - Corporate Services		2 760	265	195				
Vote 4 - Community Services: Community Development		8 200	2 650	1 050				
Vote 5 - Community Services: Public Safety		-	-	-				
Vote 6 - Electrical Engineering Services		30 240	1 500	8 000				
Vote 7 - Infrastructure, Engineering & Technical Services		19 520	18 810	34 256				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
List entity summary if applicable								
<b>Total Capital Expenditure</b>		<b>67 310</b>	<b>23 225</b>	<b>43 501</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Municipal Manager								
Vote 2 - Financial Services								
Vote 3 - Corporate Services								
Vote 4 - Community Services: Community Development								
Vote 5 - Community Services: Public Safety								
Vote 6 - Electrical Engineering Services								
Vote 7 - Infrastructure, Engineering & Technical Services								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
List entity summary if applicable								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>67 310</b>	<b>23 225</b>	<b>43 501</b>	-	-	-	-

**Table 57 MBRR SA36 - Detailed capital budget per municipal vote**

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
<b>Parent municipality:</b>																
<i>List all capital projects grouped by Municipal Vote</i>																
<b>Vote 1 - Municipal Manager</b>		<b>Vehicles</b>			Yes	Other Assets	General vehicles					600				
<b>Vote 1 - Municipal Manager</b>		PWC System			Yes	Other	Computers - software & programming					320				
<b>Vote 3 - Corporate Services</b>		Office Upgrade			Yes	Other						2 460	265	195		
<b>Vote 6 - Electrical Engineering Services</b>		vehicles and specialised vehicles			Yes	Other	Other					950				
<b>Vote 6 - Electrical Engineering Services</b>		Office Upgrade			Yes	Other	Other					1 290	1 510	1 056		
<b>Vote 7 - Infrastructure, Engineering &amp; Tec</b>		specialised vehicles			Yes	Other	Other					3 420				
<b>Vote 7 - Infrastructure, Engineering &amp; Tec</b>		workshop			Yes	Other	Other					500				
<b>Vote 7 - Infrastructure, Engineering &amp; Tec</b>		Standby Generators			Yes	Other	Other					2 300				
<b>Vote 7 - Infrastructure, Engineering &amp; Tec</b>		Storm Water			Yes	Infrastructure - Road transport	Storm water					7 300				
<b>Vote 4 - Community Services: Commu</b>		Upgrading of sport facilities and cementries			Yes	Community	Sportsfields & stadia					7 200	2 650	1 050		
<b>Vote 7 - Infrastructure, Engineering &amp; Tec</b>		Feasibility study and upgrading system			Yes	Infrastructure - Sanitation	Sewerage purification					6 300	8 300	17 600		
<b>Vote 7 - Infrastructure, Engineering &amp; Techn</b>		EPWP Projects			Yes	Infrastructure - Road transport	Roads, Pavements & Bridges					1 000				
<b>Vote 1 - Municipal Manager</b>		Housing			Yes	Other	Housing development					5 670				
<b>Vote 6 - Electrical Engineering Services</b>		Sub-stations			Yes	Infrastructure - Electricity	Transmission & Reticulation					12 500	1 500	8 000		
<b>Vote 6 - Electrical Engineering Services</b>		Consolidation of bulk metering			Yes	Infrastructure - Electricity	Other					12 500				
<b>Vote 6 - Electrical Engineering Services</b>		Subdivision and network			Yes	Infrastructure - Electricity	Other					3 000				
<b>Parent Capital expenditure</b>	<b>1</b>											67 310	14 225	27 901		
<b>Entities:</b>																
<i>List all capital projects grouped by Entity</i>																
<b>Entity A</b>																
<b>Entity A</b>		Water project A														
<b>Entity B</b>																
<b>Entity B</b>		Electricity project B														
<b>Entity Capital expenditure</b>										-	-	-	-	-		
<b>Total Capital expenditure</b>										-	-	67 310	14 225	27 901		

Table 58 MBRR SA37 - Projects delayed from previous financial year

Municipal Vote/Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2011/12		2012/13 Medium term Revenue & Expenditure Framework		
	1,2							Original Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
	Year											
R thousand												
Parent municipality: List all capital projects grouped by Municipal Vote												
				Examples	Examples							
Community and social services		Upgrading of Steinkopf Sports Complex	390	Community	Sportsfields & stadia			3 969	3 969	1 500		
Community and social services		Upgrading of Okiep Sports Complex	894	Community	Sportsfields & stadia			1 337	1 337	1 266		
Infrastructure, Engineering & Technical Services		Violsdriif Reservoir and Purification Plant	1 078					1 218	1 218	816		
Infrastructure, Engineering & Technical Services		Feasibility Studies: Sewer Networks	1 187	Infrastructure - Sanitation	Sewerage purification			2 383	2 383	2 383		
Infrastructure, Engineering & Technical Services		Bulletrap Water Supply	367	Infrastructure - Water	Transmission & Reticulation			1 934	1 934	118		
Infrastructure, Engineering & Technical Services		Bucket Eradication	424	Infrastructure - Sanitation	Sewerage purification			8 743	8 743	101		
Vote 6 - Electrical Engineering Services		Springbok Booster Pump Station	411	Infrastructure - Electricity	Transmission & Reticulation			1 710	1 710	1 710		
Entities: List all capital projects grouped by Municipal Entity												
Entity Name Project name												

## 1.20 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting  
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
2. Internship programme  
Nama Khoi Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns one has been allocated under the Internal Audit Unit.
3. Budget and Treasury Office  
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee  
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan  
The detail SDBIP document is at a draft stage and will be finalized after approval of the 2012/13 MTREF in May 2010 directly aligned and informed by the 2012/13 MTREF.
6. Annual Report  
The 2010/2011 Annual report was not tabled as per requirement by the MFMA.
7. MFMA Training  
The MFMA training module in electronic format will be presented at the Municipality's internal centre and training is ongoing.
8. Policies  
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010.



## **1.21 Other supporting documents**

### **Table 59 MBRR Table SA1 - Supporting detail to budgeted financial performance**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium-Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
REVENUE ITEMS:											
Revenue By Source	6										
Total Property Rates		20 607	20 096	22 061	22 368	21 204	21 204		29 919	31 715	36 472
less Revenue Foregone		877			510	510	510				
Net Property Rates		19 731	20 096	22 061	21 858	20 693	20 693	–	29 919	31 715	36 472
Property rates - penalties & collection charges	6										
Total Property rates - penalties & collection charges		26 361	33 533	38 402	47 352	47 181	47 181		51 867	54 979	58 553
Net Property Rates		74	3 533	3 210	652	652	652				
Net Property rates - penalties & collection charges		26 288	30 000	35 192	46 700	46 529	46 529	–	51 867	54 979	58 553
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		10 386	15 189	16 796	20 703	17 193	17 193		21 789	23 074	24 574
Net Property Rates			1 600	1 404							
Net Service charges - electricity revenue		10 386	13 588	15 392	20 703	17 193	17 193	–	21 789	23 074	24 574
Service charges - water revenue											
Total Service charges - water revenue		3 924	5 402	5 946	5 228	6 848	6 848		6 053	6 410	6 795
Net Property Rates			569	497							
Net Service charges - water revenue		3 924	4 832	5 449	5 228	6 848	6 848	–	6 053	6 410	6 795
Service charges - sanitation revenue	6										
Total refuse removal revenue		4 711	4 351	4 941	6 333	11 731	11 731		7 959	8 429	8 935
Total landfill revenue						–					
Net Property Rates		4 498	458	413	5 338	5 338	5 338				
Net Service charges - sanitation revenue		212	3 892	4 528	995	6 393	6 393	–	7 959	8 429	8 935
Other Revenue by source											
List other revenue by source	3	5 927	10 634	3 512	3 696	10 156	10 156		35 914	17 692	13 913
Total 'Other' Revenue	1	5 927	10 634	3 512	3 696	10 156	10 156	–	35 914	17 692	13 913
EXPENDITURE ITEMS:											
Expenditure By Type											
Basic Salaries and Wages	2	21 585	24 644	27 367	30 429	37 575	37 575		37 104	39 702	43 076
Pension and UIF Contributions		4 032	5 129	5 211	5 672	5 672	5 672		7 190	7 693	8 347
Medical Aid Contributions		3 018			3 457	3 457	3 457		1 205	1 289	1 399
Overtime		516	1 252	1 553	369	369	369		1 851	1 981	2 149
Performance Bonus		1 258	1 915	2 060	1 350	1 350	1 350				
Motor Vehicle Allowance		1 621	3 289	3 236	2 065	2 065	2 065				
Cellphone Allowance						–					
Housing Allowances		247	425	326	400	400	400		317	339	368
Other benefits and allowances		636	448	525	730	730	730		8 153	8 723	9 465
Payments in lieu of leave									332	355	385
Long service awards											
Post-retirement benefit obligations	4		730	751					788	844	915
sub-total	5	32 914	37 834	41 029	44 471	51 617	51 617	–	56 940	60 926	66 104
Less: Employees costs capitalised to PPE											
Total Expenditure By Type	1	32 914	37 834	41 029	44 471	51 617	51 617	–	56 940	60 926	66 104
Contributions recognised - capital											
List contributions by contract											
ACIP											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
Debt impairment											
Depreciation of Property, Plant & Equipment		11 206	12 708	1 261	8 853		–		7 103	7 529	8 019
Lease amortisation											
Capital asset impairment					–						
Depreciation resulting from revaluation of PPE	10										
Total Debt impairment	1	11 206	12 708	1 261	8 853	–	–	–	7 103	7 529	8 019
Finance charges											
Electricity Bulk Purchases		17 981	25 259	32 463	41 400	41 400	41 400		46 989	49 809	53 046
Water Bulk Purchases		7 786	14 660	14 393	18 584	18 584	18 584		19 814	21 003	22 368
Total bulk purchases	1	25 767	39 920	46 856	59 985	59 985	59 985	–	66 803	70 812	75 414
Transfers and grants											
Cash transfers and grants		–	13 569	19	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	–	13 569	19	–	–	–	–	–	–	–

**Table 64 MBRR Table SA1 - Supporting detail to budgeted financial performance  
(Continued)**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
<b>Other materials</b>											
Building Control		–	–	–	–	–	–	–	124	132	140
Consultants		–	212	–	–	–	–	–	–	–	–
Forensic Investigation		–	–	–	–	–	–	–	–	–	–
GRAP		–	–	–	–	–	–	–	–	–	–
IDP		–	–	–	23	23	23	–	–	–	–
Internal Audit		26	–	–	–	–	–	–	–	–	–
SABS		–	–	–	–	–	–	–	–	–	–
Security		121	133	843	424	458	458	–	–	–	–
Surveyor		–	–	–	–	–	–	–	–	–	–
Valuation		161	257	–	–	–	–	–	–	–	–
Valuation Services		–	381	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>	1	308	983	843	447	481	481	–	124	132	140
<b>Allocations to organs of state:</b>											
Electricity											
Water											
Sanitation											
Other											
<b>Total contracted services</b>		308	983	843	447	481	481	–	124	132	140
<b>Other Expenditure By Type</b>											
Collection costs							–				
Contributions to 'other' provisions							–				
Consultant fees		–			78	78	78				
Audit fees		1 074			118	118	118		26 748	26 703	26 683
General expenses	3	19 388	20 602	18 564	25 090	44 014	44 014				
<i>List Other Expenditure by Type</i>											
<b>Total 'Other' Expenditure</b>	1	20 461	20 602	18 564	25 287	44 211	44 211	–	26 748	26 703	26 683
<b>Repairs and Maintenance by Expenditure Item</b>	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		8 681	10 669		9 048						
<b>Total Repairs and Maintenance Expenditure</b>	9	8 681	10 669	–	9 048	–	–	–	–	–	–

**Table 60 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)**

Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Financial Services	Vote 3 - Corporate Services	Vote 4 - Community Services: Community	Vote 5 - Community Services: Public Safety	Vote 6 - Electrical Engineering Services	Vote 7 - Infrastructur e, Engineering	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Property rates			29 919														29 919
Property rates - penalties & collection charges			1 211														1 211
Service charges - electricity revenue							51 867										51 867
Service charges - water revenue								21 789									21 789
Service charges - sanitation revenue								6 053									6 053
Service charges - refuse revenue								7 959									7 959
Service charges - other																	-
Rental of facilities and equipment			1 258	-													1 258
Interest earned - external investments			485														485
Interest earned - outstanding debtors			1 224		10 816												12 040
Dividends received																	-
Fines						424											424
Licences and permits						1 254											1 254
Agency services						1 206											1 206
Other revenue		217	23 491	1 390													25 098
Transfers recognised - operational			37 621														37 621
Gains on disposal of PPE																	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		217	95 210	1 390	10 816	2 884	51 867	35 801	-	-	-	-	-	-	-	-	198 184
<b>Expenditure By Type</b>																	
Employee related costs		7 607	10 201	5 444	9 162	4 853	4 393	15 279									56 940
Remuneration of councillors		4 288															4 288
Debt impairment			2 245														2 245
Depreciation & asset impairment			7 103														7 103
Finance charges			1 504														1 504
Bulk purchases							46 989	19 814									66 803
Other materials								13 591									13 591
Contracted services		40			84												124
Transfers and grants																	-
Other expenditure		3 569	8 692	4 894	4 050	477	3 468	1 597									26 748
Loss on disposal of PPE																	-
<b>Total Expenditure</b>		15 504	29 746	10 338	13 297	5 330	54 851	50 282	-	-	-	-	-	-	-	-	179 348
<b>Surplus/(Deficit)</b>		(15 287)	65 464	(8 947)	(2 481)	(2 446)	(2 984)	(14 481)	-	-	-	-	-	-	-	-	18 836
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		(15 287)	65 464	(8 947)	(2 481)	(2 446)	(2 984)	(14 481)	-	-	-	-	-	-	-	-	18 836

Table 61 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		4 658	7 359		5 000	5 000	5 000	5 000	8 622	9 622	10 622
Other current investments > 90 days											
Total Call investment deposits	2	4 658	7 359	-	5 000	5 000	5 000	5 000	8 622	9 622	10 622
Consumer debtors											
Consumer debtors		23 570	28 214	20 653	33 916	33 916	33 916	33 916	89 374	92 892	98 856
Less: Provision for debt impairment		(11 445)	(13 635)		(16 316)	(16 316)	(16 316)	(16 316)	(2 245)	(3 245)	3 745
Total Consumer debtors	2	12 125	14 578	20 653	17 600	17 600	17 600	17 600	87 129	89 647	102 601
Debt impairment provision											
Balance at the beginning of the year		21 977	11 445		14 935	14 935	14 935	14 935	13 577	12 822	12 567
Contributions to the provision		(1 417)	2 191		1 381	1 381	1 381	1 381	2 245	2 745	3 245
Bad debts written off		(9 115)	-		-	-	-	-	(3 000)	(3 000)	(3 000)
Balance at end of year		11 445	13 635	-	16 316	16 316	16 316	16 316	12 822	12 567	12 812
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		365 978	399 887	371 148	489 386	489 386	489 386	489 386	431 457	474 603	522 063
Leases recognised as PPE	3	818	1 551		60	60	60	60	840	890	940
Less: Accumulated depreciation		24 649	35 310		55 796	55 796	55 796	55 796	(7 103)	(7 458)	(7 831)
Total Property, plant and equipment (PPE)	2	342 148	366 128	371 148	433 650	433 650	433 650	433 650	439 400	482 951	530 834
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		2 511	2 505		3 500	3 500	3 500	3 500	2 919	3 064	3 218
Total Current liabilities - Borrowing		2 511	2 505	-	3 500	3 500	3 500	3 500	2 919	3 064	3 218
Trade and other payables											
Trade and other creditors		9 456	19 378	13 513	10 800	10 800	10 800	10 800	9 606	9 125	8 669
Unspent conditional transfers		7 951	4 567		-	-	-	-	5 600		
VAT		-	2 595		3 300	3 300	3 300	3 300	80		
Total Trade and other payables	2	17 406	26 540	13 513	14 100	14 100	14 100	14 100	15 285	9 125	8 669
Non current liabilities - Borrowing											
Borrowing	4	8 135	6 619	5 168	29 369	29 369	29 369	29 369	27 000	-	-
Finance leases (including PPP asset element)		596	1 070		56	56	56	56			
Total Non current liabilities - Borrowing		8 730	7 689	5 168	29 424	29 424	29 424	29 424	27 000	-	-
Provisions - non-current											
Retirement benefits		10 211	10 795		14 332	14 332	14 332	14 332			
List other major provision items											
Refuse landfill site rehabilitation		4 731	5 185		10 885	10 885	10 885	10 885	2 078	2 181	2 290
Other				20 785							
Total Provisions - non-current		14 943	15 980	20 785	25 217	25 217	25 217	25 217	2 078	2 181	2 290
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		(5 156)	294 807	319 929	344 918	344 918	344 918	344 918	345 284	391 879	392 879
GRAP adjustments		301 796	-								
Restated balance		296 640	294 807	319 929	344 918	344 918	344 918	344 918	345 284	391 879	392 879
Surplus/(Deficit)		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	-	18 836	1 000	1 472
Appropriations to Reserves			(3 444)								
Transfers from Reserves											
Depreciation offsets		587	645		650	650	650	650			
Other adjustments											
Accumulated Surplus/(Deficit)	1	271 167	311 525	322 659	332 061	331 761	331 761	332 568	364 121	392 879	394 351
Reserves											
Housing Development Fund											
Capital replacement		1 257	1 500	25 355	1 500	1 500	1 500	1 500			
Self-insurance											
Donations and public contributions		21 298	23 855		22 555	22 555	22 555	22 555			
Revaluation											
Total Reserves	2	22 555	25 355	25 355	24 055	24 055	24 055	24 055	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	293 722	336 880	348 014	356 135	355 816	355 816	369 623	364 121	392 879	394 351



**Table 62 MBRR Table SA9 – Social, economic and demographic statistics and assumptions****NC062 Nama Khoi - Supporting Table SA9 Social, economic and demographic statistics and assumptions**

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b><u>Demographics</u></b>												
Population						54	54	58				
Females aged 5 - 14						5	5	6				
Males aged 5 - 14						6	6	6				
Females aged 15 - 34						5	5	5				
Males aged 15 - 34						5	5	6				
Unemployment						9	9	10				
<b><u>Monthly household income (no. of households)</u></b>	1, 12	-										
No income												
R1 - R1 600					722	722	722	780				
R1 601 - R3 200					722	722	722	780				
R3 201 - R6 400					1,159	1,159	1,159	1,252				
R6 401 - R12 800					1,159	1,159	1,159	1,252				
R12 801 - R25 600					12,949	12,949	12,949	13,985				
R25 601 - R51 200					12,949	12,949	12,949	13,985				
R52 201 - R102 400												

R102 401 - R204 800				10,220	10,220	10,220	11,038				
R204 801 - R409 600				10,702	10,702	10,702	11,558				
R409 601 - R819 200				2,714	2,714	2,714	2,931				
> R819 200				214	214	214	231				
					-						
<b>Poverty profiles (no. of households)</b>											
< R2 060 per household per month	13										
Insert description	2										
<b>Household/demographics (000)</b>											
Number of people in municipal area				53,510	54	54	58				
Number of poor people in municipal area				3,371	3	3	4				
Number of households in municipal area				17,069	17	17	17				
Number of poor households in municipal area											
Definition of poor household (R per month)				no income			no income				
<b>Housing statistics</b>											
Formal	3										
Informal					12,675	12,675	13,689				
					3,798	3,798	4,102				
<b>Total number of households</b>											
Dwellings provided by municipality	4	-	-	-	16,473	16,473	17,791	-	-	-	-
Dwellings provided by province/s											
Dwellings provided by private sector	5										



<b>Total new housing dwellings</b>			-	-	-	-	-	-	-	-	-	-
<b>Economic</b>	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
<b>Collection rates</b>	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

**Detail on the provision of municipal services for A10**

Total municipal services	Ref.		2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		<b>Household service targets (000)</b>									
		<b>Water:</b>									
		Piped water inside dwelling	37,725	37,725	40,742						
		Piped water inside yard (but not in dwelling)	13,752	13,752	14,852						
		Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
	8 10	<i>Minimum Service Level and Above sub-total</i>	51,477	51,477	55,594	-	-	-	-	-	-

9	Using public tap (< min.service level)							
10	Other water supply (< min.service level)	2,033	2,033	2,197				
	No water supply							
	<i>Below Minimum Service Level sub-total</i>	2,033	2,033	2,197	-	-	-	-
	<b>Total number of households</b>	<b>53,510</b>	<b>53,510</b>	<b>57,791</b>	-	-	-	-
	<b><u>Sanitation/sewerage:</u></b>							
	Flush toilet (connected to sewerage)	39,383	39,383	42,534				
	Flush toilet (with septic tank)	1,980	1,980	2,138				
	Chemical toilet	1,391	1,391	1,503				
	Pit toilet (ventilated)	374	374	404				
	Other toilet provisions (> min.service level)	8,241	8,241	8,900				
	<i>Minimum Service Level and Above sub-total</i>	51,369	51,369	55,479	-	-	-	-
	Bucket toilet	268	268	289				
	Other toilet provisions (< min.service level)	1,873	1,873	2,023				
	No toilet provisions							
	<i>Below Minimum Service Level sub-total</i>	2,141	2,141	2,312	-	-	-	-
	<b>Total number of households</b>	<b>53,510</b>	<b>53,510</b>	<b>57,791</b>	-	-	-	-
	<b><u>Energy:</u></b>							
	Electricity (at least min.service level)	50,995	50,995	55,075				
	Electricity - prepaid (min.service level)							
	<i>Minimum Service Level and Above sub-total</i>	50,995	50,995	55,075	-	-	-	-
	Electricity (< min.service level)							
	Electricity - prepaid (< min. service level)							
	Other energy sources	2,515	2,515	2,716				
	<i>Below Minimum Service Level sub-total</i>	2,515	2,515	2,716	-	-	-	-
	<b>Total number of households</b>							

			53,510	53,510	57,791	-	-	-	-	-	-
		<b><u>Refuse:</u></b>									
		Removed at least once a week									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
Municipal in-house services			2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		<b><u>Household service targets (000)</u></b>									
		<b><u>Water:</u></b>									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
		<b><u>Sanitation/sewerage:</u></b>									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									

Pit toilet (ventilated)								
Other toilet provisions (> min.service level)								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Bucket toilet								
Other toilet provisions (< min.service level)								
No toilet provisions								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-
<b><u>Energy:</u></b>								
Electricity (at least min.service level)								
Electricity - prepaid (min.service level)								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Electricity (< min.service level)								
Electricity - prepaid (< min. service level)								
Other energy sources								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-
<b><u>Refuse:</u></b>								
Removed at least once a week								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Removed less frequently than once a week								
Using communal refuse dump								
Using own refuse dump								
Other rubbish disposal								
No rubbish disposal								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-	-	-	-

**Table 63 MBRR SA32 – List of external mechanisms**

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

**1.22 Municipal manager's quality certificate**

I Nevie Aubrey Baartman, municipal manager of Nama Khoi, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name \_\_\_\_\_

Municipal manager of Nama Khoi (NC062)

Signature \_\_\_\_\_

Date \_\_\_\_\_